

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS
OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30

1. REQUISITION NO.

PAGE 1 OF 113

2. CONTRACT NO.

3. AWARD/EFFECTIVE DATE

4. ORDER NO.

5. SOLICITATION NUMBER

6. SOLICITATION ISSUE DATE

VA797P-12-C-0022

May 10, 2012

VA797P-12-R-0020

7. FOR SOLICITATION
INFORMATION CALL:

a. NAME

German Arcibal

b. TELEPHONE NO. (No Collect Calls)
708-786-76638. OFFER DUE DATE/LOCAL
TIME

9. ISSUED BY

CODE

Department of Veterans Affairs
 OA&L / National Acquisition Center
 Building 37
 1st Avenue, One Block North of Cermak
 Hines IL 60141

10. THIS ACQUISITION IS

UNRESTRICTED OR SET ASIDE

% FOR:

SMALL BUSINESS

WOMEN-OWNED SMALL BUSINESS

HUBZONE SMALL BUSINESS

(WOSB) ELIGIBLE UNDER THE WOMEN-OWNED

SERVICE-DISABLED

SMALL BUSINESS PROGRAM

NAICS 325412

VETERAN-OWNED

EDWOSB

SIZE STANDARD:

SMALL BUSINESS

8(A)

11. DELIVERY FOR FOB DESTINA-
TION UNLESS BLOCK IS
MARKED

12. DISCOUNT TERMS

SEE SCHEDULE

13a. THIS CONTRACT IS A
RATED ORDER UNDER
DPAS (15 CFR 700)

13b. RATING

N/A

14. METHOD OF SOLICITATION
RFQ IFB ☒ RFP

15. DELIVER TO

CODE

National Acquisition Center
 1st Avenue, One Block North of Cermak
 Building 37
 HINES IL 60141

16. ADMINISTERED BY

CODE

Department of Veterans Affairs
 OA&L / National Acquisition Center
 Building 37
 1st Avenue, One Block North of Cermak
 Hines IL 60141

17a. CONTRACTOR/OFFEROR CODE

FACILITY CODE

18a. PAYMENT WILL BE MADE BY

CODE

McKesson Corporation
 One Post Street
 San Francisco, CA 94104

PAYMENT WILL BE MADE BY INDIVIDUAL
 ORDERING OFFICES

TELEPHONE NO.

PHONE:

FAX:

17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER

18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED
☐ SEE ADDENDUM19.
ITEM NO.20.
SCHEDULE OF SUPPLIES/SERVICES21.
QUANTITY22.
UNIT23.
UNIT PRICE24.
AMOUNT

Refer to Fee Schedule on Page 62

(Use Reverse and/or Attach Additional Sheets as Necessary)

25. ACCOUNTING AND APPROPRIATION DATA

26. TOTAL AWARD AMOUNT (For Govt. Use Only)

Estimated \$1,500,000,000.00

27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA

☐ ARE ☒ ARE NOT ATTACHED.

27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4, FAR 52.212-5 IS ATTACHED. ADDENDA

☐ ARE ☒ ARE NOT ATTACHED.

28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED

29. AWARD OF CONTRACT: REF. OFFER DATED YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN IS ACCEPTED AS TO ITEMS.

30a. SIGNATURE OF OFFEROR/CONTRACTOR

31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER)

30b. NAME AND TITLE OF OFFEROR (TYPE OR PRINT)

30c. DATE SIGNED

31b. NAME OF CONTRACTING OFFICER (TYPE OR PRINT)
German S. Arcibal
Contracting Officer

31c. DATE SIGNED

AUTHORIZED FOR LOCAL REPRODUCTION
PREVIOUS EDITION IS NOT USABLE

STANDARD FORM 1449 (REV. 2/2018)

MC-WV-02062.00001

MCKPUB00047300

MC-WV-02062

PHARMACEUTICAL PRIME VENDOR
VA797P-12-C-0022

COMMODITY: FSC Group 65 PHARMACEUTICALS and MEDICAL/SURGICAL ITEMS

Contract Period: Contract shall be effective on May 10, 2012 to August 9, 2012 with an option for additional 30 days. Renewal of option is at Government's discretion. (Note clause FAR 52.217-9, Option to Extend the Term of the Contract.)

Type of Contract: The resultant contract shall be Indefinite Delivery, Requirements Contract(s) (Refer to FAR Clause 52.216-1, "Requirements").

Estimated Requirements

The total estimated monthly volume is approximately \$364 million (\$1.5 billion including option). The amount represents the Government's best estimate of purchases in dollars for all items to be made available through this contract. The contract covers the 50 United States, Washington D.C., Puerto Rico, Philippines, US Virgin Islands and Saipan. No guarantee is given that this volume will be purchased.

Definitions

For the purpose of and as used throughout this solicitation, and any resultant contract(s), the following words or terms are used as defined.

Adequate Supply - A supply of items made available to the customers that allow conformity with the delivery requirements set forth in I-15, "Delivery", within the parameters of the fill rate and historical purchase patterns.

Automatic Replenishment- A management information system tool normally used in a large hospital or warehouse setting. The PPV automated order entry system is linked to a pharmacy management system to create orders based on product usage. The system tool eliminates the guesswork typically involved in the ordering and inventory management processes.

Basic Ordering Agreements (BOAs) - A BOA is a national non-committed agreement that establishes the product price of an item manufactured or distributed by a National Industries for the Blind (NIB) or National Industries for the Severely Handicapped (NISH) workshop.

BIG 4- Under Public Law 102-585, Veterans Healthcare Act of 1992, Section 603, the Department of Health and Human Services (including Public Health Services and Indian Health Services), along with the Department of Defense, the Department of Veterans Affairs, and the U.S. Coast Guard are four organizations statutorily entitled to receive the Federal Ceiling Price (FCP) for pharmaceuticals (covered drugs).

Blanket Purchase Agreement- (BPA)- A provision under the FSS program which allows for additional discounts and/or incentives.

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Definitions (cont.)

Bulk - (Used in relation to orders and deliveries): A customer order of a large quantity of a single product/item/unit or the combination of numerous products/units/items that are palletized and shrink wrapped versus being delivered via case or tote. The successful PPV shall be required to presort Bulk deliveries by lot number and/or customers delivery zone. Bulk deliveries are required by our CMOPs, the HHS, SSC Perry Point facility and the National Acquisition Center's accounts.

Chargeback Arrangements/agreements (Chargebacks) - A payment reimbursable agreement/arrangement coordinated between the PPV and the product suppliers/manufacturers which allows the PPV's to be made fiscally whole for products sold to authorized customers of this program. The Government will not become involved in these agreements/arrangements nor will the Government assume any responsibility for these monies. Chargebacks shall be handled in accordance with industry standards.

Closed Distribution Products (CDP) - The closed distribution is either required by the manufacturer or by the FDA. Reasons for the closed distribution of a product include patient safety, or the product is new to the market. Most orders for closed distribution products are passed through the PPV for delivery directly by the product supplier.

Community Based Out Patient Clinic (CBOC) - A VA managed or contracted satellite facility located in the local community to provide service to eligible Veterans.

Confirmation Printback - An electronic confirmation report generated from the PPV's ordering system and sent via modem/internet back to the ordering facility indicating that the requested items are available, on manufacturer back order, out of stock, or deleted, etc. Also referred to as the Confirmation Printback Report.

CMOP- Consolidated Mail Outpatient Pharmacy- There are seven established large automated VA facilities that fill the mail out prescriptions of eligible patients. During the contract period it is anticipated that a few additional CMOPs may be established and added to the contract.

Contracting Officer (CO) - Government official designated to award, administer, and obligate the Government to the responsibilities of any resultant contract(s) awarded against this solicitation. The CO for this contract is located at the Department of Veterans Affairs, National Acquisition Center (NAC), in Hines Illinois. The CO serves as the liaison between the PPV and all customers participating under this program. The terms "the NAC CO" or "VA NAC CO", or "the VA's CO" have the same meaning and may be used interchangeably throughout the solicitation.

Contracting Officer Technical Representative (COTR) - A Government official designated at each facility or Agency, to provide such functions as designating the delivery point, arranging for alternative delivery schedules, etc. The COTR is delegated by the VANAC Contracting Officer and serves as a liaison between the PPV and the Contracting Officer. The term Contracting Officers' Representative (COR) has the same meaning and may be used interchangeably in the contractor performance and other terms.

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Definitions (cont.)

Customer - A VA or Other Government Agency (OGA), authorized to use this contract. Customer is also referred to as "facility" or "using facility."

Diversion - Pharmaceutical products ordered under Federal contracts are intended solely for the use of authorized ordering activities in carrying out their Federal missions; they are not intended for resale or barter. Any transfer of Federal contract priced items that does not service the ordering activity's defined mission, as well as any transfer for the purpose of generating a profit on the difference between contract prices and commercial prices (such as "AWP") is an improper diversion of Federal supplies.

Drop Shipments - Products ordered by the customer through the prime vendor program and shipped directly to the customer from the product supplier.

EDI - Acronym for Electronic Data Interchange. Inter-process (computer to computer application) communication of business information in a standardized electronic form.

Fast Pay / VA Prime Vendor Program, Alternate Payment Program - An expedited payment procedure used under the Pharmaceutical Prime Vendor Program, wherein payments are made to the PPV within 24 to 48 hours vs. payment established as Net 15.

NOTICE: The VA has negotiated with financial institution(s) to provide any resultant contractor 24 – 48 hour payments. At the current time, there is a \$0.80 transaction fee per invoice that shall be paid by the PPV to the financial institution processing your invoices. All VA orders shall be processed in this manner, with some OGA's also making payments under this Alternate Payment/FAST PAY method.

Federal Ceiling Price (FCP) - FCP is the application of Section 603 of the Veterans Health Care Act, Public Law 102-585 (the Act). Section 603 enacts a drug discounting process administered by the Department of Veterans Affairs (DVA) for the benefits of Federal Agencies considered the "Big 4" (see Definition above) .

Federal Supply Schedule (FSS) - A multiple-award program, in which similar products are awarded and provided under schedule contracts.

Fill or Kill (ORDERING) - No backorders shall be placed under this contract (except for the HHS Supply Service Center in Perry Point MD). On each order, whatever can be filled will be filled, what cannot be filled will be canceled from the order. The PPV shall notify the ordering account of items being "killed" from an order.

First Fill- In some instances the PPV shall be required to fill the government's PPV orders first before filling their commercial customers' orders. In such required situations, the direction to release the product first to Government customers participating under this contract shall be presented to the PPV by the NAC along with written agreement from the product manufacturer.

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Definitions (cont.)

HHS, Supply Service Center (SSC), Perry Point, MD - A Public Health Service facility which services the VA and some OGA as the repackager of pharmaceutical products purchased through the VA PPV Program.

Indian Health Service (IHS) - An Agency within the Department of Health and Human Services which is responsible for providing Federal Health Services to American Indians and Alaska Natives.

Manufacturer Back Order (MBO) - A physical order placed by the PPV to a product manufacturer and which is not shipped to the prime vendor from the product manufacturer within seven calendar days.

Miscellaneous other government contract - A contract awarded by any Government Agency participating under any resultant contracts awarded under this solicitation, including any regional or local contracts. When in accordance with the terms and conditions of the Pharmaceutical Prime Vendor Program, a participating facility requires that their contracted items be distributed through the PPV, the facility shall provide the miscellaneous other government contract award documentation to the National Acquisition Center (NAC) for release to the PPV. Authorization for the PPV to load pricing against any "Miscellaneous Other Government Contracts" shall be provided by the National Acquisition Center.

National Acquisition Center's Account - A Department of Veterans Affairs customer account that generally requires large bulk deliveries that are shrink wrapped and palletized.

National Standardization Contract Items - Products/items/units awarded as competitive award contracts that provide quantity requirements and definitive product specifications. They are committed use, mandatory source contracts for VA facilities. The mandatory use by the VA facilities helps facilitate VA's standardization of its National Formulary, as well as the consolidation of volume buying requirements (Attachment B and G). OGA's and Option 1 State Veteran Homes, are restricted access to National Standardization Contracts unless a formal commitment is made between the OGA, VA and the National Standardization Contractor.

National Supply Service Center (NSSC) - A Federal Indian Health Service Facility in Ada, Oklahoma, that serves as the procurement agency for many Indian Health Service hospitals and clinics and tribal facilities located throughout the Continental United States. The NSSC serves as the "Parent" facility for their designated IHS facilities.

Next Day Delivery - Orders placed by participating customers by 6:00pm local time (local time at the ordering facility) shall be delivered the next business day (M-F), (M-Sat for CMOP's only). E.g.; ordered by 6:00pm local time on Wednesday, shall be delivered to customer on Thursday, in accordance with the terms and conditions of the Section I-15 Delivery. Orders placed on Friday or Saturday shall be delivered on Monday. (Friday CMOP orders shall be delivered on Saturday, with Saturday CMOP orders being delivered on Monday).

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Definitions (cont.)

Next Scheduled Delivery Day - Based on the terms outlined in the solicitation and any resultant contract, the next scheduled delivery day is the day agreed upon by the prime vendor and the customer for delivery of products. For some OGAs the next scheduled delivery day may not necessarily denote that the delivery will be made within 24 hours.

Offer - Synonymous term for proposal. Offer means a response to a solicitation that, if accepted by the Government, would bind the offeror to perform the resultant contract.

Open Market Item- Any item/product/unit not under a current Federal government contract.

Outpatient Center (OPC) - A VA satellite facility, located on the grounds of a VAMC or in the local community to provide service to Veterans. Also referred to as an Outpatient Clinic.

Paperless Invoice System- A PPV furnished feature on their electronic ordering system which provides each customer a correct and complete invoice based on the customers' order, the PPVs' confirmation printback report and actual receipt of product. Electronic invoice shall reflect the requirements outlined throughout the solicitation and must have the capability to be printed (hard copy) by the customer.

Parent" Facility - A participating facility who also holds the responsibility to approve and or make payment for their affiliated satellite facilities.

Pass Through Orders- A Customer order for contracted Products/items/units that are not normally stocked by the PPV usually at the direction of the product manufacturer, which is usually based on the nature or handling of the product (frozen etc.) The customer orders the product directly with the manufacturer or the PPV, and the product is drop shipped directly to the customer by the manufacturer. The manufacturer notifies and bills the PPV, who then invoices and receives payment from the customer. Pass through arrangements are developed in advance and are ongoing, while drop ship orders may be more of a short term nature.

Pharmacy Benefits Management (PBM) - The VA pharmacy management office.

Pharmaceutical Prime Vendor (PPV) - Also referred to as "contractor" or Prime Vendor", is a business concern that functions as a purchaser's source of distribution for a wide array of pharmaceutical products as identified by the customer. A prime vendor is responsible to maintain an adequate supply of, and distribute drug/pharmaceutical items and any other items contracted for that are dispensed through the customers' pharmacy service. For the purpose of this solicitation, such a business concern must have at least five years of experience as a pharmaceutical prime vendor.

Products/Items/Units - Synonymously used to denote the merchandise requested by the customers to be delivered through the prime vendor program.

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Definitions (cont.)

Product/Item/Unit Usage Data - A list of drug/pharmaceutical (Federal Supply Class 65) products/ items/units and any other products/items/units contracted for that are dispensed through a pharmacy service with actual therapeutic purposes; along with their associated estimated quantities that have been identified by customers, as being required for ordering under the PPV program either on a recurring or non-recurring basis. Products, items and units, are used synonymously throughout this solicitation.

Point of Contact (POC) - A designated person at each facility authorized to assist the PPV. This person usually has minimal or no contract authority to represent the CO or the COTR, but is offered to the PPV as a contact source of the facility. Such persons will be identified to the PPV as POC's (and not COTR's).

Recurring Items - Items ordered by customers on a regular basis at least once per month.

Regional Supply Service Centers (RSSC) - A Federal Indian Health Service Facility that serves as the procurement authorizing agency for Indian Health Service hospitals and clinics and tribal facilities located throughout their defined regions. A RSSC will serve as the "Parent" facility for many of their designated IHS facilities.

Regions - For the purpose of this solicitation and any resultant contract/s, a region is a geographical grouping of participating facilities.

Reservation Orders - A separate PPV order placed at the discretion of the customer, only in situations of MBO's; wherein the PPV reserves the customer's request for products until the products becomes available for release.

Satellite Facility- A participating facility whose delivery/task order must bear the prior approval of another participating facility. Only the satellite's approving facility (also referred to as the "Parent" facility), holds the authority to authorize the order on behalf of the Government. Orders from Satellite facilities that do not reflect the prior approval of their "Parent" approving facility shall not be released by the PPV for delivery.

Sequestered products/ items/units - These are products that the VANAC will designate to the PPV, as products available to VA PPV or PPV customers only. A determination by the VANAC or the product supplier to sequester products for a specific class of customers participating under the PPV program may occur when there is limited availability of contracted product, or at a manufacturers request, or when the product is intended for a specific program. (Example: The VANAC may designate the PPV to sequester products to the CMOP's only).

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Definitions (cont.)

Small Business Concern - For the purposes of this solicitation and any resultant contracts, and in accordance with Federal Acquisition Regulations Part 19, a small business entity organized for profit consisting of 500 or less employees (under NAICS code 424210), including all affiliates.

Split Screen Order System - A PPV provided software program feature that is required to be part of the PPV's automated ordering system for the establishment at those facilities identified by the VANAC as being a satellite facility requiring this feature such as SVH Option 2's, some OPC's, some IHS and Tribal facilities. The PPV software program shall be required to process orders that are placed electronically by satellite facilities in a manner that transmits the satellites' request for a delivery/task order to the satellites ordering/approving office (Parent facility) simultaneously as it sends it to the PPV's distribution center.

State Veteran Home (SVH) Option 1 - A participating SVH with an approved Sharing Agreement with a VA Medical Center (VAMC). An Option 1 SVH authorizes its own delivery/task orders to the PPV and the SVH's payments are made directly to the PPV by the SVH. Option 1 SVH's shall be entitled to FSS pricing under this contract. An Option 1 SVH is not eligible for National Standardization Contract pricing unless it is specifically named in the scope of the National Contract or added by mutual agreement between the VA and the National Contractor.

State Veteran Home (SVH) Option 2 - A participating SVH with an approved Sharing Agreement with a VA Medical Center (VAMC). An Option 2 SVH uses their affiliated VAMC, as a "Parent" facility and must have their prior approval for each delivery/task order to the PPV. Option 2 SVH's shall utilize the PPV's Split screen ordering process to obtain this approval, prior to product release by the PPV. Payments for Option 2 SVH's are made by their affiliated VA Medical Center. Option 2 State Veterans Homes shall be entitled to all pricing made available to the VA, including FCP for covered pharmaceuticals, and National Contract pricing.

Stock Outage - An occurrence wherein the PPV cannot make available an adequate supply of the customers requested products/items/units. As opposed to a MBO situation, the PPV shall be held responsible for stock outages.

Tribal (638) Facility - A Federally recognized, American Indian or Alaska Native facility operated under the management of the Tribe versus the auspice of a Federal IHS facility. Synonymously referred to as a "638" facility, with 638 representing Public Law 93-638 which is the legislation under which the tribal facility is given a contract by IHS to operate Health Care Facilities under a compact or contract, with Federal funding from IHS.

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Definitions (cont.)

Universal Product Numbers (UPN's) - A unique identifier of healthcare products. It is derived from either the HIBCC-LIC or UCC/EAN bar code labeling data structures. The HIBCC-LIC format is variable in length, alpha-numeric and consists of the manufacturer LIC assigned by HIBCC, the labeler's product or catalog number, and the package level (or inventory unit) indicator. The UCC/EAN format is fixed length, all numeric and consists of the UCC/EAN assigned manufacturer number (company prefix), numeric item number, a package level (or inventory unit) indicator, and a calculated check character." This definition specifies that a unique UPN should be created and assigned to each packaging level (or inventory unit) of each product, and to create UPN standard compliant barcode labels on all of their healthcare products at each unit of inventory. The term "Universal" means that the UPN is to be the key identifier for all product units. It should be used to communicate information about all product units between all trading partners in the supply chain. In consonance with this request, contractors awarded a contract under this solicitation shall utilize UPN's that are commercially available from manufacturers. These UPN's shall be the key reference to healthcare product information in all product recalls, business documents, and reports called for under the terms of this contract. PPV contractors are not required to mandate that manufacturers obtain UPN's. If a UPN is established independently by a manufacturer for a healthcare product required to be supplied to the ordering facilities, authorized to utilize the PPV contract, the PPV is required to obtain from such manufacturer and utilize that UPN in accordance with the requirements of this solicitation.

VAMC - Veterans Affairs Medical Center

VANAC- Department of Veterans Affairs National Acquisition Center. VANAC is the contracting office for this procurement.

VISN- Veterans Integrated Service Network- Commonly referred as "VISN". A VISN is a group of VA Medical facilities within a geographic area.

VISTA- Veterans Integrated Systems Technology Architecture. The Department of Veterans Affairs' primary information system.

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STATEMENT OF WORK:

I-1 Scope

- a. The Contractor (also called Pharmaceutical Prime Vendor (PPV) shall maintain an adequate supply of and distribute all drug/pharmaceutical (Federal Supply Class 65) items and any other items contracted for that are dispensed through pharmacy service with actual therapeutic purposes (e.g. nutritional supplement items) under Government supply contracts. These items are sold under various Federal Supply Schedules (FSS), VA National contracts, Basic Ordering Agreements (BOA), and miscellaneous other Government contracts (see definitions below). Procurement of open market (non-contract items) by VA facilities is not authorized under the PPV contract. OGA facilities following their own procurement regulations may procure open market items through the PPV contract.
- b. Products sold under the PPV contract are for direct use by the facilities covered by this contract and the resale of products by participating facilities is prohibited. The Government anticipates that after award other facilities/agencies may be added to the contract. When required, such additions will be accomplished on a quarterly basis, with facility deletions being accomplished when required. The Government will negotiate with the PPV a bilateral modification to add a facility.
- c. The Government anticipates that payment under the PPV contract shall be made to the vendor within the terms and conditions of a Net 15 day payment to the Prompt Payment Act. In addition to the payment terms of Net 15, an expedited Fast Pay /VA Prime Vendor Program Alternate Payment Program shall be mandatory for all VA facilities participating in this contract. The use of the Fast Pay /VA Prime Vendor Program Alternate Payment Program is Optional for Other Government Agencies (OGA's) participating under this contract. The Government anticipates receiving better distribution fee for Fast Pay paying customers. At anytime during the performance period of this contract, when a Net 15 day paying customer commits to making their payments under the Fast Pay program in order to receive the awarded larger negative distribution fee, the Government will notify the Prime Vendor via a contract modification to include the customer under the awarded Fast Pay distribution fee.
- d. The PPV shall have in-place an emergency contingency plan for disaster recovery, which protects the Government from the disruption of the requirements outlined herein.

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1-1 Scope (cont.)

- e. The following Special Item Numbers are applicable to FSS Group 65, Part I, Section B, Drugs, Pharmaceuticals & Hematology Related Products (Attachment C)

<u>Special Item Number (SIN)</u>	<u>Description</u>
SIN 42-2A	Single source innovator, multiple source innovator and biological and insulin pharmaceutical products (i.e. covered drugs)
SIN 42-2B	Generic & multiple source pharmaceuticals & drugs, human blood products, & over-the-counter drugs
SIN 42-3	Complete IV delivery systems
SIN 42-4	New molecular entity
SIN 42-5	Dietary/Nutritional/ supplements
SIN 622	Antiseptic Skin Cleansers, Detergents, Dispensers – only small personal sizes (no more than 16 ounces) and no dispenser items;

- f. The PPV also shall maintain an adequate supply of and distribute products under the contracts programs listed below.
1. Blood-glucose test strip items sold under Federal Supply Schedule Group 65, Part VII, In-Vitro Diagnostics, Reagents, Test Kits, and Test Sets; and
 2. Medical/surgical items classified under select product categories (see listing below), for outpatient pharmacy dispensing only, and which are sold by Government-medical/surgical contractors under Federal Supply Schedule Group 65, Part II, Section A and Basic Ordering Agreements (BOA's).

<u>SIN</u>	<u>Description</u>
A-1	Adhesive Tapes/Bandages
A-2	Applicators/Swabs/Wipes/Pads
A-3	Bandages/Gauze
A-4	Dressings
A-6	Sponges, Surgical
A-10	Cannulas, Airways, Tubes and Accessories
A-12	Colostomy/Ostomy Products
A-13	Gloves, Medical, Surgeons and Exam (Latex & Vinyl) All Sizes
A-13(a)	Sterile Latex Gloves
A-13(b)	Sterile Vinyl Gloves

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1-1 Scope (cont.)

<u>SIN</u>	<u>Description</u>
A-13(c)	Non-Sterile Latex Gloves
A-13(d)	Non-Sterile Vinyl Gloves
A-15	Needles, Syringes & Jet Injectors
A-15(a)	Needles, Hypodermic
A-15(b)	Syringes
A-15(c)	Syringes & Needle Combination
A-15(d)	Syringes & Needle Combination (anti stick)
A-15(e)	Protective sheaths for needles, hypodermic & IV (anti stick)
A-15(f)	Needles, Biopsy
A-15(g)	Jet Injectors
A-16	Stockings (Anti-Embolism/Compression Only)
A-22(b)	Urinary Drainage Bags, Kits and Sets
A-26	Incontinent Products
A-26(a)	Pads, Bed Linen Products
A-26(b)	Diapers

- g. All items shall be distributed when ordered by the participating facilities in accordance with the terms and conditions herein on a "Fill or Kill" basis with the exception of HHS, Supply Service Center (SSC), Perry Point, MD (see Definition above & Ordering). All participating facilities listed in a region shall be serviced by the PPV awarded that region. Individual delivery orders will be issued against this contract for the items required.
- h. CMOP Specific Requirements- The PPV shall at the VA's request, furnish the VA CMOP sites with bulk orders and bulk delivery of pharmaceuticals and related products. The PPV shall designate a VA CMOP Distribution Coordinator, who will be responsible for coordinating all business activities between the CMOP Directors and the PPVs' operations officials.
- i. HHS/SSC, Perry Point MD, and NAC accounts Specific Requirements- Upon request by the HHS/SSC, and the NAC accounts, the PPV shall coordinate large and bulk orders from a standard list of pharmaceuticals. Drop shipments shall be made through the manufacturer only when approved by the Director of the facilities and the PPV. The awarded negative PPV distribution fee for such drop shipments shall be applied to the orders. The PPV shall designate a HHS/SSC and NAC account Distribution Coordinator, who shall be responsible for coordinating all business activities between the Directors and the PPV's operations officials. The PPV shall assist the Directors with special project support to fulfill unique requirements when special provisions are necessary to meet the needs of their customers.
- j. The Government reserves the right to require the awarded Prime Vendor to have a system available for the storage, inventory and rotation of Government owned stock of pharmaceuticals and limited medical surgical supplies. The Government intends to negotiate any additional terms and conditions of this requirement with the awarded Prime Vendor.

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1-1 Scope (cont.)

- k. At the direction of PBM, the Government may require the PPV to enter into a commercial agreement with a pharmaceutical specialty distributor, to manage a system for the distribution of a closed class of various pharmaceuticals. At a minimum, the agreement must be capable of maintaining a patient register when required, along with providing drug education to the physicians involved with the receipt and release of the pharmaceuticals.
- l The 2000 amendment to Section 105k of the Indian Self Determination and Education Act (25 U.S.C. 450j (K)), allows IHS/HHS and VA to agree, at the request of Indian tribes, to allow the tribes direct access to VA's PPV program. Several tribes have recently requested access under this statute, but VA & IHS/HHS have not yet finalized the necessary inter-agency agreement. It is expected that an agreement will be signed in the near future and may be applicable to certain region of the resultant contract. Hence, during the period of the PPV contract awarded from this solicitation, the Government may require the PPV to negotiate in good faith a modification to the contract which would permit the electronic ordering, delivery requirements, etc., outlined in this solicitation to be provided directly to those Federally recognized tribal facilities covered by Public Law 93-638, that have received authorization from IHS and the VA to receive Government supplies through VA's prime vendor program. The Government will negotiate in good faith with the PPV, any additional terms and conditions that may be determined necessary to provide direct PPV access to a "638" facility.
- Such Federally recognized "638 direct" facilities will be added to this program via a bilateral modification between the Government and the PPV.
 - Participating "638 direct" facilities shall be entitled to FSS pricing, and a negotiated Distribution Fee.
 - Such Federally recognized "638 direct" facilities shall be entitled to the terms and conditions specified for "638 direct" facilities throughout this solicitation.
 - ❖ However, tribal and "638" facilities that are currently participating in the PPV program at time of any resultant contract award under this solicitation, and that continue a funding affiliation with one of the Federal IHS, RSSC's or the NSSC identified under this contract, shall be entitled to the same pricing, terms and conditions as available to a Federal IHS facility (i.e., next day delivery, Big 4 prices, National Contract prices, etc.).
 - The first opportunity to service a "638 direct" facility, will be given to the prime vendor awarded the geographical region in which the "638 direct" facility resides. However, the Government reserves the right to offer any Prime Vendor awarded a contract under this solicitation the opportunity to service an eligible "638 direct" facility.

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I-2 Customer Service

- a. A designated PPV representative shall make a monthly scheduled sales call (a physical visit) to all sites to discuss customer satisfaction unless an alternate plan is agreed upon by the facility. Additional calls, as required to answer questions, solve billing and inventory problems, and review reports with the Director of Pharmacy or designated Point of Contact at each facility shall be at the request of the contracting officer's technical representative (COTR).
- b. At a minimum of every six months, a conference call will be held with the participating Agencies' Program Managers, contracting officials at the VA NAC, PBM, and the contract administrator for the PPV listed in the clause AS1108 Contact for Contract Administration, Section IV of the solicitation. Participants will be given 15 calendar days notice prior to the conference call and be furnished the date and time of the planned conference call.
- c. At a minimum, a monthly conference call will be held with the contracting officials at the VA NAC and the contract administrator for the PPV listed in the clause AS1108 Contact for Contract Administration, Section IV of the solicitation. Participants will be given 10 calendar days notice prior to the conference call and shall be furnished the date and time of the planned conference call.
- d. Conference calls pertaining to paragraphs b and c above, will be organized and initiated by the VA NAC, and will serve to encourage communication between all parties and serve as a forum to resolve any common issues (such as program enhancements) within a region or activity.

NOTE: In addition to any scheduled conference calls, any and all problems and critical issues will be addressed immediately by the PPV upon notification by the using facility, C.O.T.R's or NAC Contracting Officers.

BOP Specific Customer Service Requirements:

Each prospective PPV is advised that due to certain restrictions within the Bureau of Prisons, employees of the PPV that enter the secure confines of BOP facilities/institutions will be subject to the following investigative procedures. (Note: These investigative procedures will not be required in situations where routine/emergency deliveries do not require entry into the secured BOP facility.)

- National Crime Information Center (NCIC) Check
- Completion of the Contractor Pre-Employment Form
- Daily possession of a valid picture identification and daily entry into secured facility via metal detector.

NOTE: Employees, such as the Customer Service representative, that need ongoing entry into such secured BOP institutions will also need to provide a fingerprint check and a name check at the discretion of the institutions' warden or representative.

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I-3 Automated Ordering System

- a. The PPV shall provide, at no additional cost to the Government, each participating ordering facility the specified computer hardware and software equipment necessary for electronic order entry and bar code scanning capability. The equipment to be furnished by the PPV shall be complete, installed and perform to manufacturers' specifications.
- b. The PPV shall be responsible to provide at no additional cost to the Government, their own Internet access for each user (ordering facility's ordering points) of the PPV Program, i.e., ordering, review of records/reports, real-time information, etc. (Note: All sites are web-enabled).
- c. PPV furnished equipment to be provided for each Parent and Satellite ordering site shall include, at a minimum, unless required elsewhere throughout this solicitation:
 1. Two hand-held order entry devices- capable of:
 - Accepting information from customers bar coded shelves
 - Accepting product information from bar codes
 - Accepting hand keyed in product information
 - Transmitting PPV order through PPV furnished Automated Order System.
 2. One personal computer- Minimum hardware configurations:
 - Pentium or equivalent 1.2ghz processor,
 - 256 MB RAM,
 - 20 GB hard disk,
 - 3.5" floppy drive,
 - CDRW drive,
 - 32 MB SVGA card
 - 17 inch SVGA color monitor,
 - 56K baud internal modem **and**
 - 56K baud external modem with cables
 - and a third serial port,
 - Microsoft compatible bus mouse,
 - two serial ports
 - one parallel port to connect to printer;
 - one 105 Key board;
 - network cards and
 - all necessary cables.
 3. One compatible laser jet printer with 8-foot cable.
 4. PPV furnished hardware shall be capable of operating in a Windows 2000 (or latest version) or Windows NT platform. On each PPV furnished personal computer for use by a VA customer (VAMC's, SVH's, OPC's, CBOC's, and the NAC accounts, along with those management offices that have read-only access for their sites); the Government shall furnish and install an appropriate program for use with their Drug Accountability software. Such installation of any software by the Government on PPV furnished hardware, will in no way violate any warranty and/or guarantee provisions of the hardware requirements included in this solicitation.

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I-3 Automated Ordering System (cont.)

- d. PPV shall also provide, at no additional cost to the Government, the software necessary to order items/products/units via the PPV furnished personal computer terminal. PPV provided software shall be capable of providing:
1. A web based (VPN) and stand alone ordering system, that is capable of being networked with other PPV ordering computers located throughout a customers facility. (A stand- alone system is one that can function when the network is down).
 2. Access to the PPVs' complete standard corporate contract database in addition to a customer unique database.
 3. Access for all PPV customers to view the databases for pricing and product source selection PRIOR to creating and transmitting an order to the PPV.
 4. An inventory management program for all VA facilities and those OGA customers requesting the program. The inventory management program must be capable of reporting the following:
 - (a) Demand Forecasting- Weighting factors are applied to past purchases to predict future needs.
 - (b) Economic order amount- The quantity of stock to order that minimizes costs.
 - (c) Safety stock levels- Safety Stock is used to compensate for delays in delivery or greater than anticipated demand.
 - (d) Calculations of reorder point and minimum and maximum inventory stock levels. Generation of bar coded shelf labels containing this information.
 - (e) Ability to override normal demand forecasting when necessary.
 - (f) Ability to designate lead-time, which affects required inventory stock levels.
 - (g) Calculation of inventory turns.
 - (h) Support of stratified inventory analysis method. This stratified inventory system according to total dollar purchase for the items (A, B, and C items) and must allow the tracking of high dollar cost products so these products can be managed more aggressively.
 - (i) Report capabilities to support the available tools.
 5. The capability for all customers to update and print labels and bar codes.
Note: During the implementation period of the contract, the PPV shall provide all bar code shelf labels and affix them to the ordering facilities' pharmacy shelves prior to the start of contract performance.
 6. An online accessible account.
 7. A Confirmation Printback.
 8. A paperless invoice system.

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I-3 Automated Ordering System (cont.)

- e. PPV's automated ordering system shall contain and not be limited to, the following fields for ordered products/items/units, and shall appear in the ordering, and or confirmation printback, and or reports modules, and or invoice, as specified herein and elsewhere throughout this solicitation:
- Ordering Agency's name and PV assigned account number
 - Product /Item/Unit Name
 - Generic Name
 - Product/Item/Unit Description
 - Strength
 - Package size
 - Manufacturer
 - National Drug Code (NDC) for applicable pharmaceutical products
 - Universal Product Number (UPN) (when available) - applies to healthcare products
 - Universal Product Code (UPC) (when available)
 - PPV's Product/Item/Unit Number
 - Product/Item/Unit Number as assigned by ordering facility (where available)
 - Product/Item/Unit denoted as a CII Control Schedule (where applicable)
 - Reference of established DEA number (where applicable)
 - Reference of established HIN number (where applicable)
 - Product/Item/Unit Government Contract Number (FSS, National, or Miscellaneous)
(Minimum of the Government's Contract last 5 digits)
 - Type of contract – contract identification or code that identifies product/item/unit as FSS (F), National (N), Miscellaneous other government (M) contracts or open market (O).
 - Product/Item/Unit Government Contract expiration date.
 - Product/Item/Unit Contract price (specific to the pricing and contract eligibility of each customer).
 - Product/Item/Unit Lot number (on Invoice and Reports Only)
 - Product/Item/Unit Expiration Date (on Invoice and Reports Only)
 - Product/Item/Unit Bio-equivalency Rating
 - Customer Delivery Zone (CMOP and HHS/SCC applicable)
 - Product/Item/Unit denoted as available as a Drop Shipment.
 - Product/Item/Unit denoted as available as a Pass-Thru Shipment.
 - Product/Item/Unit denoted as unavailable due to MBO, PV Out of Stock, Lockout Procedures or Allocation situations.
 - PV Distribution Center releasing requested product/item/unit.
 - PV assigned invoice number
 - PV payment information.

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I-3 Automated Ordering System (cont.)

- f. PPV shall provide real time pricing updates and product availability. All updates are to be accomplished by 6:00am (ET) of the effective date of the update. For order placement, all pricing updates must be available by 6:00am (ET) daily on the facility's ordering screen and must be available for viewing product availability and pricing, prior to order transmission.
- g. PPV automated ordering system shall provide on-screen, real time, generic cost referencing. This generic cost referencing look-up screen shall contain all of the trade names and generic names for a product when either the trade or generic name is entered by the customer for referencing.
- h. For the purpose of this solicitation and any resultant contract, the Government has the right to use, disclose, reproduce, prepare derivative works, and display publicly in its facilities in any manner and for any purpose, data generated from the resultant contract. Data means recorded information, regardless of form or the media on which it may be recorded. The term includes technical data and computer software.

Specific Automated Ordering System Requirements:

CMOP Specific Automated Ordering System Requirements

- 1. The PPV shall provide all VA CMOP sites with a quantity of **five (5)** complete Automated Ordering Systems and software meeting the requirements as outlined in Section 1-3 a through h, above .
- 2. PPV shall also provide, at no additional cost to the Government, all VA CMOP sites with appropriate software interfaces to operate Automatic Replenishment communications used with automated warehouse materiel management systems. Appropriate interfaces shall be made to one of two possible proprietary dispensing systems.
 - CMOP's located in Bedford, Dallas, Leavenworth, and West Los Angeles use the Siemens ElectroCom L.P. system
 - CMOP's located in Charleston, Hines, and Murfreesboro use the SI/Baker, Inc. system.

The CMOPs' inventory control systems track the following data:

- NDC number,
- lot number,
- expiration date

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I-3 Automated Ordering System (cont.)

CMOP Specific Automated Ordering System Requirements (cont.)

3. Requirements for interfacing with each CMOP inventory system and to meet the specific ordering requirements of the CMOP, shall at a minimum offer the following:
 - (a) automatic ordering based on usage and/or minimal par levels
 - (b) paperless invoice system,
 - (c) automatic replenishment, stocking of the products into the inventory system
 - (d) unique electronic signature for receiving each line item on an invoice
 - (e) barcode technology to facilitate tote management by zone (i.e., each CMOP has as many as 20 zones for products to be stored, each zone has specific product package size requirements defined by the NDC code. A product may be required in multiple zones).
 - (f) automatic authorized price updating
 - (g) payment system shall be based upon receiving an item under a given order
 - (h) PPV product/item/unit number shall be linked to NDC, UPC or UPN number.
 - (i) Ordering system shall be network compatible.
 - (j) Capability for assignment of a unique password for the technician receiving product and for signing the receipt of an invoice.
 - (k) Lot number and lot expiration date will be passed back to the CMOP automated system.

HHS Supply Service Center, Perry Point, MD Specific Ordering System Requirements

The PPV shall provide the HHS/SSC Perry Point facility with a quantity of **two (2)** complete Automated Ordering Systems and software meeting the requirements as outlined in Section 1-3 a through h, above.

The PPV's provided Automated Ordering System and software shall be network compatible with the existing HHS/SSC information systems which are workstations that are running either on Windows 200 or XP, with Servers running either on Windows NT4.0 or 2000. The HHS/SSC inventory management system current runs on SCO OpenServer 5.06a.

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I-3 Automated Ordering System (cont.)

IHS Specific Ordering System Requirements

NSSC, Ada, OK Only (Heartland Region)– In addition to the hardware and software requirements cited above in paragraph 1-3 a – h of this section, the PPV shall furnish the following equipment and software as required at the NSSC, Ada, OK facility. The equipment shall be provided at no additional charge to the Government.

- Read only access shall be given to the Director, National Supply Service, 1005 N. Country Club Road, Ada, OK. The Director shall have read only access relating to ALL IHS, TRIBAL AND “638” SITES. The computer or other hardware cited above is not needed for the Director, just the software package allowing read-only access.
- Two additional (equaling 3 total) complete PPV Automated Ordering Systems as outlined above, which shall include all the hardware, software and printers cited above.
- One additional complete PPV ordering software package, which shall include access to all IHS and Tribal sites’ accounts for reports and accountability purposes. This ordering software package shall be installed on an existing NSSC furnished computer and shall be used by the NSSC,
- C.O.T.R. for the NSSC and IHS/Tribal locations.
- Ordering System shall be network compatible with existing NSSC systems.

PPV shall provide to the following Government program management offices, at no additional cost to the Government; appropriate hardware and software applications listed above in this section, (excluding the hand-held units), and shall ensure **read-only access to** appropriate management offices of the Agency ordering sites **below**.

NOTE: Only VA NAC and PBM will have access to participating agencies’ records. The Director, along with the C.O.T.R. of the IHS NSSC in Ada Oklahoma shall have access to all of the IHS, Tribal and “638” participating agencies records. Other agencies’ Program Management offices will be given access to their respective individual region records.

Department of Veterans Affairs –

1. Program Manager, PPV Team, National Contract Service, VA National Acquisition Center, P.O. Box 76, Hines, IL 60141 (**capable of viewing all ordering sites**)
2. Director, Pharmacy Benefits Management (119), VA National Acquisition Center, Building 37, Room 139, 1st Ave. 1 Block North of 22nd Street, Hines, IL 60141 (**capable of viewing all ordering sites**)

Federal Bureau of Prisons (BOP) –

Chief of Pharmacy, Health Services Division, Federal Bureau of Prisons, 320 1st Street, NW, Washington, DC 20534 (**All participating BOP sites**)

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I-3 Automated Ordering System (cont.)

Department Of Health and Human Services –

1. Indian Health Service:

- Director, NSSC, 1005 N. Country Club Road, Ada Oklahoma 74820 **(IHS, tribal & “638” facilities Nationwide) (NSSC located in Heartland Region)**
- Area Pharmacy Officer, Billings Area Indian Health Service, 2900 4th Avenue North, Billings, MT 59103 **(IHS and tribal sites in Northwest Region)**
- Chief Pharmacy Officer, Santa Fe Indian Hospital, 1700 Cerrillos Road, Santa Fe, NM 88340 **(IHS and tribal sites in Southwest Region).**
- Area Pharmacy Officer, Portland Office, 1220 SW Third, Avenue, Room 476, Portland, OR 97204 **(IHS and tribal sites in Northwest Region).**
- Area Pharmacy Officer, Aberdeen Area Indian Health Service, 115 –4th Avenue, Federal Building Aberdeen, SD 57401 **(IHS and tribal sites in Upper Midwest region).**
- Chief Pharmacy Officer, IHS Indian Hospital, Red Lake, MN 56671 **(IHS and tribal sites in upper Midwest Region)**
- Area Pharmacy Officer, Phoenix Area IHS, Two Renaissance Square, 40 North Central Avenue, Phoenix, AZ 85004 **(IHS and tribal sites in Southwest Region).**
- Gallup Supply Management Officer, Gallup Supply Service Center, P.O. Box 3090, Gallup, NM 87305 **(IHS and tribal sites in Southwest region)**
- Senior Contracting Officer, Alaska Area Indian Health Service, 250 Gambell Street, Anchorage, AK 99501 **(IHS and tribal sites in Alaska Region).**

2. HHS (SSC):

- Director, Building 14, Perry Point MD, 21902 (HHS/SCC Perry Point Facility only)

I-4 Maintenance and Repair

Emergency service and repair calls shall be made available on an unlimited basis at no additional cost to the Government. The PPV shall restore the automated ordering system equipment to normal and efficient operating condition within 24 hours after notification by the Government that the PPV-furnished equipment (any part of) is not functioning properly. If repair is not feasible, PPV shall replace the PPV-furnished equipment with the same or better equipment. Government ordering facilities shall not be without automated order entry equipment (whether repaired or replaced) for more than 72 hours from the time notice was given to the PPV. The PPV shall not be responsible for any repairs or replacement parts needed because Government employees, as determined by the Government, neglected the equipment, made improper application, maintenance or alteration, or because external factors (i.e. deficiencies in air conditioning, humidity control or electrical power) contributed to the equipment malfunction or damage. Risk of loss remains with the contractor with the exception of repairs necessitated by abuse, neglect, vandalism, or Acts of God.

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I-4 Maintenance and Repair (cont.)

- The Government shall be responsible for furnishing consumable supplies (i.e., paper, ribbons for printer, etc.).
- Government shall provide phone lines and is responsible for assuming all costs of operating the phone lines.
- Upon completion of the contract term, the PPV shall arrange to pick-up all PPV furnished equipment at no expense to the Government.

I-5 Training

- a. The PPV shall provide, at no additional cost to the Government, orientation and training in the operation of PPV furnished equipment and automated ordering system and process, for a maximum of four (4) using personnel at each customer's ordering facility. Training should be provided on site at each participating customers' facility. However, in the rare instances where the PPV requests that the training be offered somewhere other than the customers' facility, the location of the off-site training site shall be within a 100 mile radius from the customers' facility.
- b. All sites shall be notified fourteen calendar days before the date of their scheduled training. This training shall include actual demonstration and operation of the equipment. Qualified PPV personnel will give this training, after completion of equipment installation.
- c. Training at a minimum shall cover the following:
 1. Proper use of order entry devices including computer and hand held units.
 2. How to access PPV's inventory status.
 3. Order placement process (product inquiry, placement, order edit, printback confirmation etc.)
 4. How to maintain ordering system.
 5. Downloading price changes.
 6. Performing file maintenance.
 7. Requesting bar code labels.
 8. Download contractually required reports.
 9. Operation of Inventory Management program
 10. Any other commercially available training in use of the equipment or ancillary items.
- d. After award, the PPV will be provided a Designated Point of Contact for each participating managing office and each individual participating facility. The PPV shall work with each Agency's managing office to contact each facility to schedule the initial training for each site. PPV will also provide updates or systems changes, and training on these changes as they occur throughout the term of the contract. The designated Point of Contact at each facility will be responsible for assurance that the appropriate personnel to be trained are available. A PPV contact person and telephone number shall be provided to each facility in the event additional instruction is necessary. This training will be at no additional cost to the government. The ordering facility shall be responsible for system training when there is a change in ordering personnel during the contract period.

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I-5 Training (cont.)

- e. The PPV shall be required to provide at no additional cost to the government, one (1) complete set of printed Training Guides or Manuals and System Operating Manuals for all equipment and software furnished by the PPV to each individual ordering facility. The Training Guides or Manuals and System Operating Manuals shall be provided prior to, but no later than, the actual time of training.

BOP Specific Training Requirements

BOP must approve a Federal Bureau of Prisons Security Clearance Application for each individual employed by the PPV who will be assigned (by the PPV), to provide the required training to BOP personnel. The Security Clearance must be approved by BOP, prior to PPV personnel obtaining access to a BOP facility. The PPV shall work closely with the BOP Designated Point of Contact to notify individual prison wardens, or his/her representative at least 14 calendar days prior to making any site visits to conduct training.

IHS/NSSC/ Ada Oklahoma Specific Training Requirements

The NSSC shall work closely with the PPV during the implementation period to provide a training schedule of all their satellite facilities. The schedule shall reflect a listing containing all of the customers with scheduled times, locations, point of contracts and facility phone numbers.

I-6 Ordering

- a. Each authorized ordering facility shall be responsible for its own ordering of products/items/units.
- b. All orders will be processed through use of the PPV furnished electronic order entry Equipment as specified in Section 1-3. However, PPV agrees to accept phone and or facsimile orders when use of the electronic order entry equipment is unavailable or inoperable, or in the case of an emergency delivery requirement.
- c. Facilities such as Option 2 SVH's, NSSC serviced facilities, and specified designated Tribal "638" facilities which have an affiliation with a Federal IHS facility shall also be responsible for their own ordering of products through the PPV furnished electronic ordering placement equipment, however they shall be required to process all electronic orders thru the Split Screen Ordering System specified below.
- d. All customers shall have access to view the PPV's corporate databases and their own (PPV established) customer unique database for pricing and product source selection PRIOR to the customer creating and transmitting an order to the PPV.
- e. Orders will be filled on a Fill or Kill basis. No backorders shall be placed under this contract (except for HHS Supply Service Center in Perry Point MD). On each order, whatever can be filled will be filled, what cannot be filled will be canceled from the order. The cancelled items shall be noted on the customers confirmation printback.

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I-6 Ordering (cont.)

- f. In some instances the PPV shall be required to first fill the Government's orders before filling their commercial customer's orders. In such required situations, the direction to release the product to the Government's PPV customers first, shall be presented to the PPV with written agreement from the product manufacturer.
- g. Reservation Orders- In order to keep the participating PPV customers on an equal procurement opportunity with the prime vendor commercial customers, the participating customers shall have the opportunity to place a reservation order for a product that is determined to be on a Manufacturer's Back Order. In the ordering process, when an item is "killed" off the customer's order due to a MBO; the customer may inform the PPV to reserve and then release the product to them upon its availability. The customer shall be responsible to initiate a separate and distinct reservation procurement order through the PPV's electronic order system for the MBO product. Reservation orders shall not be included in the contract fill rate calculation. Reservation orders may remain unfilled for a period of not longer than 90 days from the customer's initiation before the customer is notified of its cancellation by the PPV, or by an earlier cancellation at the customer's request. 90 days is the maximum that a reservation order may remain open. If the order is filled before the 90 days, then the purchase order is closed. For cancellations of reservation order due to the 90 day timeframe, the customer shall have the opportunity to re-issue a new, separate and distinct reservation order for the same product and quantity, without losing their original position on the PPV's availability wait list. The product price charged to the customer for a reservation order shall be the contract price in effect at the time the order is filled.
- h. The PPV shall take every effort to ship orders complete. When quantity equaling a case is ordered, then a full complete case is expected versus a case quantity of loose items.
- i. The PPV's customer ordering screen shall contain and not be limited to, the following fields
 - Ordering Agency's name and PV assigned account number
 - Product /Item/Unit Name
 - Product/Item/Unit Number as assigned by ordering facility (where available)
 - PPV's Product/Item/Unit Number
 - Generic Name
 - Product/Item/Unit Description
 - Strength, Package size, Manufacturer
 - National Drug Code (NDC) for applicable pharmaceutical products
 - Universal Product Number (UPN) - applies to healthcare products
 - Universal Product Code (UPC)
 - Product/Item/Unit denoted as a CII Control Schedule (where applicable)
 - Established DEA number (where applicable)
 - Established HIN number (where applicable)
 - Product/Item/Unit Government Contract Number (FSS, National, or Miscellaneous) **(Minimum of the Governments Contract last 5 digits)**
 - Type of contract – contract identification or code that identifies product/item/unit as FSS (F), National (N), Miscellaneous other government (M) contracts or open market (O). CNTLD

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I-6 Ordering (cont.)

- Product/Item/Unit Contract price (specific to the pricing and contract eligibility of each customer).
 - Product/Item/Unit Bio-equivalency Rating
 - Customer Delivery Zone (CMOP and HHS/SCC applicable)
 - Product/Item/Unit denoted as available as a Drop Shipment.
 - Product/Item/Unit denoted as available as a Pass-Thru Shipment.
 - Product/Item/unit denoted as unavailable due to MBO, PV Out of Stock, Lockout Procedures or Allocation situations.
 - Automatic Substitution information option
 - Product Inquiry Search option
- j. For all approved pharmaceutical prime vendor electronic orders placed no later than 6:00pm local time at the authorized customers **ordering office**, the PPV shall be required to provide next day, (or for some specified facilities, next scheduled delivery day) delivery of a complete order.
- k. All orders processed thru the electronic ordering system shall receive a confirmation printback generated from the PPV system and sent via modem/internet back to the ordering facility. At a minimum, the confirmation printback shall reflect the requirements specified in Confirmation Printback Report.
- l. For Special Orders such as Control Drugs (CII's) and Closed Class Distribution shipments, the orders shall be identified as such on the customers' PPV ordering screen for approval prior to the order being filled/delivered. The PPV shall make all efforts to assign one invoice number to these orders, which shall be reflected on the PPV's confirmation printback and remain with the order throughout the entire procurement/payment cycle. The PPV's confirmation printback shall also reflect the total line item cost of the customer's special order.
- The customer's electronic automated order request for Schedule II Control Drugs, shall be followed up by the ordering facility, with providing the PPV with a hard copy of DEA Form 222. The PPV's responsibility to release and deliver the customer's Control Drug order under the terms and conditions outlined in this solicitation, commences upon the PPV's receipt of the required DEA Form 222.
- m. Drug Bio-equivalency Rating
The PPV shall show the Food & Drug Administration (FDA) Orange Book therapeutic drug equivalency rating for each drug on each customers primary order screen to enable pharmacists/ordering officials to know the equivalency ratings when making drug product selections. If the PPV plans to use another rating system (such as the Z-Rated system), the PPV must identify and explain the system that will be used and what it means.

This information must be provided to all ordering officials at the time of the program installation and training. Information regarding the drug bio-equivalency rating must also be posted on the "web site" of the PPV for instructions and guidance throughout the term of the contract.

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1-6 Ordering (cont.)

- n. Technical Support – Technical support shall be available to each customer on a daily basis during their full working tour of duty, which in respect of the Pharmaceutical Prime Vendor Program is until 6:00pm local time of the ordering facility. (This excludes Federal Holidays).

Specific Ordering Requirements:

Satellite Facility Split Screen Ordering

PPV automated ordering system shall be capable of establishing a “Split Screen Ordering” process for the VA’s Option 2 SVH’s, some OPC’s, the RSSC’s, the NSSC serviced facilities, along with participating Tribal facilities that have an affiliation with a Federal IHS facility.

Satellite facilities shall be responsible for their own ordering of products/items/units through the PPV furnished electronic ordering placement equipment, however as cited below and elsewhere throughout this solicitation, a satellite facility being serviced by a parent facility, must have their orders relayed through the PPV’s split screen system in a manner that uses an ordering system that transmits the satellite’s delivery/task order to the satellite’s designated ordering/approving office (such as the VA affiliate, a RSSC, IHS, or the NSSC), simultaneously as it is sent to the PPV’s distribution center. The satellite facility’s order is required to be sent to the parent facility for procurement approval, prior to the PPV releasing the order directly to the satellite facility.

Whenever PPV order requests are initiated by the satellite facilities and transmitted through the PPV’s “split order” concept, the following functions shall take place:

1. The satellite facility’s order will be sent via modem/internet to the PPV distribution center for acknowledgement of receipt of order and stock allocation, but held in abeyance until approval has been received from the “parent” ordering facility before the order is picked, filled and distributed.
2. Within 30 minutes of the PPV’s receipt of the satellite facility’s order, a confirmation printback, shall be generated from the PPV and sent via modem/internet back to the satellite facility. The printback at a minimum, shall indicate what items will be “filled or killed” along with the information required in the Confirmation Printback Report. Upon receipt of a printback, the requesting satellite facility will be capable of requesting a substitute product/item/unit and generating a substitute order if needed, through the same electronic split screen ordering processes.
3. The satellite facility’s request shall also be sent to the “Parent” ordering facility (VAMC or NSSC or IHS) via modem/internet, to be approved for appropriate funding availability and for the assignment of a final approving purchase order/ delivery order number. The parent facility shall also be able to perform maintenance on the order, i.e., view, edit, add or delete items as needed and approve the order before the PPV begins to fill the order. This process shall be completed entirely via modem/internet. At no time (except when use of the electronic order entry equipment is unavailable or inoperable, or in a case of an emergency delivery requirement), shall hard copy paper documents be faxed to the PPV for orders or acknowledgement.

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I-6 Ordering (cont.)

Satellite Facility Split Screen Ordering (cont.)

4. Upon approval by the "Parent" ordering facility, the order shall be transmitted via modem/internet from the "Parent" facility to the PPV which shall be the official authorization for the PPV to fill and release the Satellite facility's order.
5. Within 30 minutes from the PPV's receipt of the approved order from the Parent facility, a confirmation printback, shall be generated from the PPV and sent via modem/internet back to the Parent facility which shall, at a minimum, confirm what items will be "filled or killed" along with the information required in the Confirmation Printback Report. Although the confirmation printback may differ from the previously generated confirmation to the satellite facility due to additional items being added or deleted, the contract prices shall remain the same.
6. Before payment can be made to the PPV for any satellite order placed, it shall bear the "Parent" ordering location's correct purchase order/ delivery order number (approval number), as assigned when the order was originally approved by the parent facility.
7. The designated Parent facility shall be responsible for the payment of their satellite's facilities only if the orders:
 - a. Have been properly relayed to the designated parent facility through the PPV's split screen ordering system
 - b. Were assigned a parent purchase order/delivery task order number (approval number) prior to the delivery release of the order by the PPV, and
 - c. Where the parent facility has received a proper/valid PPV invoice.*
 - * In the event the parent facility receives a PPV invoice that does not reflect the required information, the invoice will be returned to the PPV unpaid, within 7 days of receipt, for correction, proof of authorization to release product, proof of delivery and subsequent resubmittal by PPV of a proper invoice.

Note: In the event that the PPV releases a Satellite request for an order without the direction and approval of their designated ordering/approving office, that order shall be considered to have been released without the Government's authority and the Government shall not be obligated for any payments.

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I-6 ORDERING (cont.)

CMOP Specific Ordering Requirements

1. Each CMOP shall create electronic orders to the PPV using their own proprietary system and the PPV's electronic ordering system and software. Each CMOP order shall be prepared with an identified inventory zone and at a minimum shall reflect:
 - The CMOP customer account number.
 - The customer's purchase order/delivery order number.
 - The NDC numbers for the products/items/ units required.
 - The quantity of each product/item unit required.
 - The delivery location for each order.
2. Each CMOP order shall transfer electronically to the PPV's ordering system for validation and transmission.
3. In addition to the PPV's acknowledgment of order and the 30 minute submittal of a Confirmation Printback back to the ordering CMOP, the PPV shall be required to:
 - Segregate like lot numbers by product/item/unit for efficient CMOP receipt of validation and inventory management
 - Separate parcels onto separate pallets by CMOP Zone (as identified on CMOP's original order)
 - Create an ASN file to be transmitted to the ordering CMOP, showing the required data elements of the inventory management program. (Such as, but not limited to, delivery zone, lot number, expiration date, package size and product/item/unit identification
 - Upon transmission of the ASN file, the ordering CMOP shall update their proprietary system.
 - Submit PPV invoice that reflects the lot number, expiration date and quantities of each line item.
 - Acknowledge the preferred product ranking order of the ordering CMOP, on each order. CMOP Director and PPV will use this information in an attempt to establish the authority for Automatic Substitution as deemed necessary.

IHS Specific Ordering Requirements

NSSC, Ada, Oklahoma

In addition to the ordering requirements outlined above, the IHS Specific Ordering Requirements for Oklahoma Area Indian Health Service, National Supply Service Center (NSSC) shall consist of :

- a. A PPV furnished electronic ordering system that shall allow a minimum of three individuals to be able to place PPV orders simultaneously.
- b. A PPV furnished complete ordering station that shall consist of a computer, printer, modem and software/hardware as cited throughout the solicitation.
 - Each ordering station shall be able to receive, send, and release individual customer orders without having any effect on each other.
 - Each ordering station shall be able to receive, send, release and print each order individually.

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I-6 ORDERING (cont.)

NSSC, Ada, Oklahoma

- Each ordering station shall be able to delete or add to the customer's order once received at the NSSC.
- c. A PPV furnished Split Screen Ordering System that shall be established for all customers serviced by the NSSC.

NOTE : The NSSC provides PPV procurement support services to eighty-nine IHS/and or Tribal facilities through the prime vendor program. Fifty-three of those facilities are geographically located within the Heartland Region of this solicitation. The remaining thirty-six facilities are geographically dispersed as follows:

North Region = 5	Southwest Region = 6	Upper Midwest Region = 5
Appalachians Region = 3	Northwest Region = 9	Great Lakes Region = 1
Everglades Region = 4	West Coast Region = 3	

- d. A PPV furnished Paperless Invoicing System
- e. A PPV furnished electronic ordering system that provides a unique password that shall be assigned to each individual to be identified once the order has been transmitted from the satellite facility to the NSSC. The individual's name, or code shall be attached to the order, and once printed at the NSSC, the name or code, shall be printed at the end of the order transmission.
- f. A PPV furnished electronic ordering program that provides a unique electronic signature for receiving each line item on an invoice.
- g. A PPV furnished electronic ordering program that provides the technicians receiving product to have a unique password for the signing receipt of an invoice.

Other IHS Facilities' Specific Ordering Requirements

- a. PPV shall be capable of establishing a "Split Order" feature for the automated order entry software installed at the following IHS sites and for the IHS, Tribal and "638" customers serviced by them:
 - RSSC in Anchorage, Alaska (Region: Alaska);
 - NSSC in Ada, Oklahoma (Region: Heartland);
 - RSSC in Portland, Oregon (Region: Northwest);
 - Phoenix Area IHS in Phoenix, Arizona (Region: Southwest).
 - RSSC in Gallup NM (Region: Southwest)

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I-6 ORDERING (cont.)

Other IHS Facilities' Specific Ordering Requirements

- b. The PPV furnished software program shall be able to process all electronic orders placed by the IHS satellite facilities (either IHS, or Tribal) in a manner as specified above in "Satellite Facility Split Screen Ordering" system requirements. The process then transmits a request for an order to the satellite facility's designated Parent NSSC or RSSC Area Office and simultaneously to the PPV's distribution center.

Tribal "638 Direct" Facilities- Specific Ordering Requirements

The following specific ordering requirements shall apply to those tribally managed Federally recognized "638 direct" facilities that are added to the program via bilateral modification to the PPV contract:

- a. The PPV shall accept and process electronic orders direct from the eligible facility and shall acknowledge and process the order under the terms and conditions of the resultant contract, or under the terms and conditions of the established bilateral modification, where applicable.
- b. Tribal "638 direct" facilities shall be provided all the necessary hardware and software equipment required in Section 1-3 to submit prime vendor orders electronically to the PPV. Orders shall be acknowledged by the PPV through the printback requirements, and delivery and invoicing will be to the "638 direct" tribal site. The distribution fee to be applied to "638 direct" facilities that seek participation in the prime vendor program shall be established through a bilateral modification with an awarded Prime Vendor.

Facilities Located Outside the Continental United States- Specific Ordering Requirements

In addition to the ordering requirements outlined above, the participating facilities that are geographically located outside the Continental United States shall be placing orders Monday through Friday, and the PPV shall be required to provide delivery no later than 72 hours from receipt of order.

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I-7 Expiration Dating

Expiration dating of all pharmaceutical products/items/units delivered under this program to other than the HHS SCC, Perry Point, and the National Acquisition Center's account(s), shall have a minimum shelf life of **6 months** expiration dating remaining upon delivery to the Government.

Expiration dating of **bulk pharmaceutical** items delivered to the HHS SSC, Perry Point and the National Acquisition Center's account(s) shall have a minimum shelf life of **20 months** upon delivery. All other pharmaceutical items delivered to SSC, Perry Point and the National Acquisition Center's account(s), shall have a minimum shelf life of **12 months** upon delivery.

Product expiration dating of less than specified herein, shall bear the prior approval of the facility's COTR before release and delivery of the PPV order.

I-8 Automatic Substitution

An agreement between the PPV and the ordering facility's COTR or POC can be arranged wherein, whenever the customer and PPV encounter a stock outage or MBO against a requested/ordered product/item/unit; a previously agreed upon specific alternate product/item/unit shall be automatically substituted by the PPV. In instances where the PPV uses the Automatic Substitution process; the ordering facility must be notified of the substitution and the substituted item must be annotated as such on the customer's confirmation printback. Once such an agreement is entered into between the PPV and the individual ordering facility, the PPV shall be required to maintain an adequate supply of the alternate product/item/unit. The Government makes no commitment to buy the alternate item and any order consisting of alternate items shall still require the prior approval of the customer. Automatic Substitution by the PPV without the customers' prior approval is prohibited.

I-9 Lock Out Procedures

- a. The Department of Veterans Affairs (VA) has awarded and will continue to award numerous National Standardization Contracts for specified Pharmaceutical and Med/Surg products during the course of this PPV contract. National Standardization Contracts are committed use, mandatory source contracts for VA facilities. OGA's are restricted access to National Standardization contracts unless a formal commitment is made between the OGA, VA and the National Standardization Contractor.
- b. A list of OGA's that have committed to the use of National Standardization Contracts will be provided to the PPV upon award of the PPV contract. During the contract period, the VA NAC will provide written notification when an OGA has committed to use a National Standardization Contract. For all facilities participating in the National Standardization Contract Program, the PPV shall apply the guidelines required throughout this solicitation.

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I-9 Lockout Procedures (cont.)

- c. Upon the effective date of a new National Standardization Contract item, the PPV shall make the specified Standardization items available, and lock out the ordering facilities' ability to purchase any other manufacturer's equivalent items. Lock out mechanisms shall be made for all package sizes with the exception of unit dose package type.

The VA NAC will notify the PPV of new National Standardization contract awards, and include identification of which ordering facilities are allowed to place orders under the contracts. All National Standardization Contract items shall be clearly designated as such on the customer's PPV automated order entry system inquiry/order entry screen.

- d. Although all National Standardization Contract items are mandatory source items for all VA's and those OGA's that have been identified as committed to the program, there will be instances when a facility will need to procure an alternative source product. A description of these circumstances is listed below. When an ordering facility attempts to order an alternate product, and the following exceptions can be legitimately allowed, the automated order system must permit the user to manually override the lock out program and select one of the exceptions before continuing the ordering process. The exception information must be captured in the PPV automated order system so that the data is included in the procurement history and related reports.
1. PPV Stock Outage –The PPV shall provide electronic notification weekly to the VA NAC if a National Standardization Contract product is out of stock due to or related to circumstances involving the PPV's distribution and inventory operations. PPV will provide notification via use of an electronic purchase history management system (see Reports section).
 2. MBO –The PPV shall provide electronic notification weekly to the VA NAC if a National Standardization Contract product is out of stock indicating it is due to manufacturer back order. PPV will provide notification via use of an electronic purchase history management system (see Reports).
 3. Continuous Patient Care Exception - A facility may request a one-time deviation from the National Standardization Contract item to meet the needs of a patient.
 4. National Standardization Contract Waiver - A VA facility may receive a waiver from the PBM for a National Standardization Contract item. In these instances, the VA NAC will notify the PPV of this exception, and the PPV shall modify its software to allow the facility to order a product other than the National Standardization Contract item. Other Government Agencies (OGA) may receive a waiver from their respective agencies. In these instances the VA NAC will notify the PPV of this exception, and the PPV shall modify its software to allow the facility to order a product other than the National Standardization Contract item.
- e. National Standardization Contracts that are identified by the VA NAC as not consisting of therapeutically equivalent products shall not be locked out, unless the PPV is notified by the VA NAC.

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I-10 Manufacturer Back Orders (MBO's)

- a. Facilities shall be notified on the PPV's confirmation printback report of any manufacturer back ordered item. The PPV shall also notify the VANAC C. O. of MBO's.
- b. The Government retains the right to investigate the backorder situation to determine the cause and responsibility of the backorder and to assist the PPV and the participating customers during the MBO period.
- c. Since National Standardization Contracted items are a mandatory source selection for all VAMC's and for some OGA's, the VANAC National Standardization Contracting Officer may notify the PPV of an agreement made between the National Standardization Contractor and the Government to acquire the same or similar items from another source. This may be done in lieu of breach of contract or termination for cause to the National Standardization Contractor, while holding the National Standardization Contractor responsible for any excess product procurement costs incurred by a participating PPV customer due to a MBO.
- d. Credits due to the PPV customers based on excess product procurement costs caused by a MBO, shall be routed from the National Standardization Contractor through the PPV, back to the participating PPV customer in accordance with the Credits and Rebills section of this solicitation.

1-11 Stock Outages- Cancellations/Back Orders (Other than MBO's)

- a. PPV Stock outages due to cancellations/backorders by the PPV, on products that have met the prerequisites of the fill rate formula (I-13), shall be included in the service level calculation of the fill-rate.
- b. PPV Stock outages due to cancellations/back orders by the PPV shall be considered a failure to perform by the PPV, and may be considered grounds for Termination for Cause.
- c. A failure by the PPV to provide products/items/units due to a PPV stock outage or cancellation or back order on products that have met the prerequisites of the fill rate formula, shall free the requesting ordering facility to acquire the same or similar items from another source without breaching/violating the PPV contract, while holding the PPV responsible for any excess product procurement costs incurred by a participating PPV customer due to the PPV's stock outage.
- d. Credits due to the PPV customers based on excess product procurement costs caused by a participating PPV customer in accordance with the Credits Section of this solicitation.

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I-12 Confirmation Printback Report

- a. A confirmation shall be printed back (hence- confirmation printback) to the ordering facility within half an hour of transmission of an order from the participating PPV Government facility to the PPV. A confirmation relating to a customer's request for a drop shipment or pass through order, shall be printed back to the ordering facility within 24 hours of either the electronic transmission, or phone order to the PPV. The confirmation printback shall appear on the customers ordering screen and shall have the capability to be printed as a hard copy, as well as be obtained from the report module.

The confirmation printback shall reflect the correct product price to be charged the customer at the time the order is placed. Applicable incentive or discount prices shall be shown as the correct product price. The awarded Distribution Fee shall be imbedded in the correct product price. A confirmation printback for a drop shipment or pass through order, shall also reflect the expected product supplier's delivery time, along with any other special terms and conditions required by the product supplier.

- b. At a minimum, the confirmation printback provided by the PPV shall reflect the following information:
- PPV name and address and PPV "bill to" address
 - The Government ordering facility's name and ship to address
 - The Government ordering facility's PPV assigned account number
 - The Government ordering facility's Purchase order/Delivery order number
 - This would be the final, approved purchase order/Delivery order number assigned by Parent facility if order was initiated by a Satellite Government facility.
 - Confirmation printback report date and time.
 - Product/Item/Unit Description for each item ordered
 - NDC, UPN, UPC, or appropriate product number (non-pharmaceutical items) listed for each item ordered;
 - PPV established product number for each product/item/unit ordered
 - Product/Item/Unit Number as assigned by ordering facility (where available)
 - Quantity requested and availability confirmed for each product/item/unit ordered
 - Accurate unit price confirmed for each product/item/unit ordered
 - Accurate extended price of each line item, reflecting PPV distribution fee (imbedded in each contract product/item/unit price).
 - Identification of, and reason(s) why product/item/unit is unavailable, such as MBO's, PPV stock outages, product deletions, or manufacturer or PPV allocations, (Codes are acceptable).
 - Confirmed grand total of the order
 - Indication of what requested product/items/units are special order or require a drop shipment or pass-through process.
 - PPV's assigned paperless invoice number
 - Invoice.dat; data file information (required for Drug Accountability.) VA Drug Accountability Programmer is Mr. Dave Blocker, Birmingham CIOFO, 205-943-2319

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I-13 Fill Rate

The PPV shall provide next-day delivery (or next scheduled delivery day as specified) with a minimum 97% fill-rate as defined below in the service level calculation. The fill rate will be individually calculated on a daily basis for each facility's' accounts serviced by the PPV. Failure to meet the fill-rate for the participating customers' next-day or next scheduled day delivery, will be officially recorded as part of the PPV's contract performance; which is available for public review; and may also be considered as grounds for Termination for Cause.

$$\text{Service Level Calculation/ Fill Rate} = \frac{\text{Units (Items) Delivered}}{\text{Units (Items) Ordered (- MBO Units*)}}$$

*In order for the PPV to include an MBO Unit in the above Service level Calculation an MBO Unit must be equal to or greater than the number of units ordered on the customers' order. And in addition, the PPV must be able to (when requested) provide documentation to the Government that they have attempted to maintain product availability from the manufacturer. The supporting documentation requested by the Government could include but is not be limited to, documentation that supports the existence of an outstanding purchase order between the PPV and the product manufacturer/supplier for the requested units/items. In order for the PPV to include an MBO Unit in the above Service Level Calculation the outstanding purchase order between the PPV and the product supplier shall have been in existence for no less than three calendar days prior to the customer's request.

The following are prerequisites to the application of the Service Level Calculation/Fill-Rate :

- a. Using facility shall provide PPV usage information as soon as possible after award. The initial 90 calendar days from start-up of each individual institution will be exempt from the calculation. If an award is made to the incumbent PPV, the exception of 90 days does not apply. After 90 days the PPV is responsible for tracking use and adjusting their inventories to assure the 97% fill rate.
- b. Products/Items/Units, ordered by a facility whose usage data has not been provided will be excluded from service level calculation, for a period of 90 days from PPV's notification of such usage.
- c. Product quantities of the most recent month in question that exceeds the prior 30-day usage by 150% will be exempt from the calculation.
- d. Open Market items are not to be included in the fill rate calculation.

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I-14 Recalls

If any product distributed under this contract is recalled or removed by the manufacturer, or if a recall is suggested or mandated by a regulatory or official Agency, the PPV shall be responsible for taking the following actions:

- Immediately upon receiving notice of the recall, the PPV shall notify all customers receiving distribution of the product under this contract under the most expeditious manner.
- Expeditiously notify the following management offices of the Department of Veterans Affairs –
 - Contracting Officer, PPV Team, National Contract Service, VA National Acquisition Center, P.O. Box 76, Hines, IL 60141.
Fax –708-786-5221
E-Mail= German.Arcibal@va.gov
 - Pharmacy Benefits Management (119), VA National Acquisition Center, Building 37, Room 139, 1st Avenue 1 Block North of 22nd Street, Hines, IL 60141.
Fax= 708-786-7891
E-Mail= Tom.Borysek@va.gov
- The recall notifications shall include the following information at a minimum:
 - (1) Complete item description, (w/product number & lot number) and/or identification
 - (2) Contract and Delivery Order number
 - (3) Reason for recall
 - (4) Disposition Instructions. If a direct recall is issued, the PV shall include the manufacturer's disposition instructions.
- The notifications which may be sent via fax, e-mail, or electronic ordering system, shall be separate and independent from any other correspondence such as invoices.
- The PPV shall issue replacement product or credit for any product recalled. The customer shall have the option of accepting either replacement product or credit in exchange for the recalled product. Any replacement or account credit shall be made in accordance with the delivery terms required by this solicitation.

I-15 Delivery

- a. Routine delivery for all sites, (**except** CMOP's, the HHS/SSC Perry Point, the NAC accounts, and participating facilities outside the Continental United States), is required daily, Monday through Friday, to the delivery point(s) established by the facility's Contracting Officer's Technical Representative (COTR). PPV shall provide next-day or next scheduled delivery day for all orders placed by 6:00pm local time from the customer's ordering office. Delivery shall be between the hours of 8:00am and 4:00pm (customer local time). Multiple delivery sites may be required at some of the facilities. Customers shall be able to place PPV orders Monday through Saturday. PPV orders placed on Friday or Saturday shall require delivery on the following Monday.

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I-15 Delivery (cont.)

- b. When necessary to fulfill the requirements of the customer's product needs based on their history of usage, and to prevent product outages that may endanger the patients they serve, the PPV shall be required to establish the use of alternate PPV Distribution Center(s) for each ordering facility. The use of an alternate Distribution Center by the PPV shall be at no additional cost to the Government and shall be seamless to the customers ordering, delivery and payment process established under this contract.
- c. Bulky items may be drop shipped when mutually agreed upon between the PPV, the participating customer and the product manufacturer, and must be annotated on the customer's confirmation printback. The awarded PPV distribution fee shall be applied to these orders.
- d. Delivery orders that include products/items/units classified as "controlled drugs" shall have those items packaged separate from the rest of the delivery order and shall also be packaged in accordance with DEA requirements.
- e. Delivery inspection and acceptance shall be performed in accordance with FAR 52.212-4(a). The Government will witness products received at the loading dock (or specified delivery location) and sign delivery receipt documents before the PPV driver departs. This witnessing of products received in no way waives the Government's rights under FAR clause 52.212-4(a) Inspection and Acceptance.
- f. Drop Shipments- The PPV shall act as a conduit to expedite and simplify the ordering of, and payment of Drop Ship delivery of products.
 - 1. A drop shipment order shall be identified on the customers ordering screen for approval by the customer prior to the order being picked/filled/delivered. The customer's confirmation printback shall also confirm the item as being drop shipped. Unless approved by the customer, drop shipments directly from product suppliers for recurring products are prohibited.
 - 2. For a customer's Drop Shipment request that is initiated with the PPV either through their electronic ordering system, (or by phone or fax if required by the PPV), the PPV shall be responsible on behalf of the customer to place a direct delivery order (drop shipment) from the product supplier (manufacturer).
 - a. The PPV shall then, within 24 hours provide the customer a confirmation printback regarding the product suppliers expected delivery date, and product pricing, along with reflecting the following minimum information:
 - PPV name and address and PPV "bill to" address
 - The Government ordering facility's name and ship to address
 - The Government ordering facility's PPV assigned account number
 - The Government ordering facility's Purchase order/Delivery order number
 - This would be the final, approved purchase order/Delivery order number assigned by Parent facility if order was initiated by a Satellite Government facility.
 - Confirmation printback report date and time.
 - NDC, UPN, UPC, or appropriate product number (non-pharmaceutical items) listed for each item ordered;

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I-15 Delivery (cont.)

- Product/Item/Unit Number as assigned by ordering facility (where available)
 - Quantity requested and availability confirmed for each product/item/unit ordered
 - Accurate unit price confirmed for each product/item/unit ordered
 - Accurate extended price of each line item, reflecting the PPV negative distribution fee (imbedded in each contract product/item/unit price).
 - Confirmed grand total of the order
 - PPV's assigned paperless invoice number
 - Invoice.dat; data file information (required for Drug Accountability.) VA Drug Accountability Programmer is Mr. Dave Blocker, Birmingham CIOFO, 205-943-2319
1. When a drop shipment method is required by the PPV to meet the fill rate requirements of the facility for contract products that are not in stock due to a failure by the PPV, then the PPV shall be responsible to provide the order in accordance with the terms of the PPV contract. Drop shipments shall be annotated on the customers' confirmation printback and the awarded negative PPV distribution fee shall be applied to the order. The invoice for the drop shipment shall be submitted by the PPV in accordance with the terms of this contract.
 2. When a drop shipment method is required by the PPV to meet a facility's request for a quantity of contract products that do not meet the prerequisites of products calculated in the required service level (fill rate) formula, and the quantity requested On behalf of the ordering customer the PPV shall place a direct delivery order (drop shipment) from the product supplier (manufacturer), and shall then, within 24 hours provide the customer a confirmation printback regarding the product suppliers expected delivery date, and product pricing, along with reflecting the information cited above. However, next day, or next scheduled day delivery requirements of this contract do not apply to a drop shipment order performed under this scenario.
- g.** When the PPV is notified by the customer of a Pass Through Delivery being made by the product manufacturer to the ordering customer, the PPV shall be responsible for invoicing the customer in accordance with the terms of this contract. The PPV shall be notified by the product supplier of the terms and conditions (products, Govt. pricing, expected delivery etc.) of the customer's order. The PPV shall create the PPV invoice based on the information provided by the supplier. The PPV is responsible for submitting the invoice as quickly as possible to the customer once all the information is acquired from the product supplier. The awarded negative distribution fee shall apply to Pass Through Deliveries.
- Note:** When the PPV is made aware of such information, the PPV ordering system should denote what products are only available as Pass Through Deliveries.
- h. PPV shall be responsible to report "dropped shipped," Open Market and Pass Through items itemized by line item as specified in the applicable reports listed in Section I-25.

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I-15 Delivery (cont.)

- i. Environmental Considerations- Where possible the PPV, while ensuring the safe and proper distribution of the items ordered under this program, shall use appropriate packing materials that have the least impact on the environment when manufactured or disposed. For example, brown cardboard is preferred over cardboard, which has been bleached white and or dyed. Packing or shipping materials which decompose or can be recycled, are preferred over recycle only products.

CMOP and National Acquisition Center's (NAC) Account(s) Specific Delivery Requirements:

- a. Delivery is required next day and the PPV shall ship items **six** days a week (Monday through Saturday) to the CMOP and NAC's delivery point(s). Delivery shall be made between the hours of **6:00am and 8:00am**, unless other agreements are made between the individual CMOP's and the NAC accounts and the PPV. (VA NAC Contracting Officer shall be notified by the PPV about special delivery agreements made between the CMOP's and the NAC accounts and the PPV's Distribution Center Manager). CMOP's and the NAC accounts shall be able to place orders six days a week (Monday through Saturday). Orders placed on Friday are required to be delivered on Saturday and orders placed on Saturday are required to be delivered on the following Monday.
 - Each tote and/or box delivered shall be bar-coded to be received for a VA defined dispensing zone.
 - Each line item within the tote/box shall be electronically viewable as a portion of the invoice.
 - When a discrepancy is acknowledged, a resolving credit memo/invoice is generated.
 - Credit memos may be applied to the current invoice.
 - Inventory is updated with number of packages, number of units, lot numbers and expiration dates.

HHS/SSC, Specific Delivery Requirements

Delivery is required next day Monday through Friday to the HHS/SSC delivery point. Delivery shall be made between the hours of 8:00 a.m. and 4:30 p.m. (local delivery location, time), unless another agreement is made between the Director, HHS/SSC and the PPV. (VA Contracting Officer shall be notified by the PPV about special delivery agreements made between the Director, HHS/SSC and the PPV's Distribution Center Manager.) The HHS/SSC facility shall be able to place orders Monday through Saturday. Next-day delivery is required for all items in accordance with timeframes outlined. Orders placed on Friday or Saturday are required to be delivered on the following Monday.

Tribal "638 Direct" Facilities- Specific Delivery Requirements

The following specific ordering requirements shall apply to tribally managed Federally recognized "638 direct" facilities that are added to the program via bilateral modification to the contract with a Prime Vendor:

- For those Federally recognized "638" direct facilities that may be determined to be geographically remote from the rest of the PPV customers residing in the awarded region,

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I-15 Delivery (cont.)

- the “638 direct” facility shall have access to place orders Monday through Friday, and the PPV shall be required to provide delivery no later than 72 hours from receipt of order. Delivery for all other “638 direct” facilities shall be accomplished in accordance with the terms and conditions set forth in the solicitation.

Facilities Located Outside the Continental United States- Specific Delivery Requirements

All participating facilities that are geographically located outside the Continental United States shall be placing orders Monday through Friday, and the PPV shall be required to provide delivery no later than 72 hours from receipt of order.

I-16 Emergency Delivery

Deliveries cited as an emergency shall be delivered within 12 hours (36 hours for those facilities located outside the Continental United States) of receipt of order by the PPV, 24 hours per day, seven days a week.

When required by the needs of the participating facility, the PPV shall provide three such emergency deliveries per calendar month at no additional transportation/handling expense to the facility. Any more than three emergency deliveries requested by the ordering facility in a calendar month, shall be processed by the PPV in accordance with the emergency delivery time and terms and conditions of the contract established herein, but prior to the release of the emergency delivery, the PPV may notify the customer that applicable transportation and handling costs will be applied to the customer's order. Emergency orders can be placed with the PPV via fax or telephone. At a minimum, when the order is from a satellite facility, the PPV shall obtain verbal approval and be in receipt of an approval number from the satellite facility's approving office prior to releasing an emergency order. The PPV shall within 24 hours, enter the faxed or phoned-in emergency order into the PPV ordering system for subsequent processing through the electronic ordering system. Emergency orders entered into the system by the PPV shall be clearly designated as such, as to avoid duplication of receipt of goods for which there will be no Government obligation for payment. Purchasing data shall be captured in the PPV's history files which are furnished in the required reports (See Reports). The PPV shall notify the NAC Contracting Officer of any facility's consistent need for emergency deliveries.

Upon notice of award, the PPV will be required to provide the COTR or designated POC of each facility, the name, telephone number, and/or pager number of the PPV representative responsible for providing the emergency service.

I-17 Paperless Invoice System

The PPV shall furnish a paperless invoice feature on their electronic ordering system which provides each customer a correct and complete invoice based on the PPV's confirmation printback report (which shall be based on the customer's order), along with the actual receipt of product(s).

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I-17 Paperless Invoice System (cont.)

In addition to the printback confirmation information, the Electronic invoice shall also reflect the actual lot numbers, expiration dates, and customers delivery zones (where applicable) of the products released under the customer's order.

The Electronic invoice shall also reflect any PPV initiated changes made prior to actual delivery.

And must meet the terms and conditions set forth in the payment requirements of the solicitation in order to be considered a proper invoice submitted by the PPV for payment by the Government.

The PPV's paperless invoice must also have the capability to be printed (hard copy) by the customer.

I-18 Returns Goods Policy

- a. The PPV shall be responsible for accepting customer returns in accordance with applicable laws, regulations, and normal business practices for credit at no charge to the facility for conditions 1 through 4 below. Returned products shall be credited to the individual ordering facility's account. The conditions are as follows:
 1. Products shipped through the PPV program in error (i.e. incorrect item, price, or quantity).
 2. Products received through the PPV program with visible or concealed damages;
 3. Recalled products, regardless of level of recall;
 4. Products received through the PPV program that have less than six months (or the 12 and 20 months, as required by HHS/SSC, Perry Point, MD) shelf life dating at the time of receipt from the PPV, unless otherwise authorized by the COTR.
- b. Once the PPV is notified by the customer of a product return as a result of any of the conditions outlined in items 1 through 4 above, the PPV shall arrange that the return be accomplished no later than two scheduled delivery days later. The customer shall be responsible for the safe keeping, proper storage and proper handling of the product until the return is picked-up.
- c. If a PPV receives a sales-volume-based allowance from an FSS or National contractor, which is paid in lieu of out-of-date returned goods credits, then the PPV contractor shall allocate a pro rata portion of that allowance to every covered PPV ordering activity that purchased and returned the manufacturer's products during the relevant allowance period. A reasonable administrative fee, not to exceed one quarter of 1% of the allocable allowance, may be charged by the PPV contractor to the individual customer for its distribution of returned goods allowance. This requirement is not meant to suggest any obligation on the PPV to accept outdated stock, but rather it is to provide the benefit of blanket return allowances to Government ordering activities.
- d. Currently, the VA has a separate established contract for the return of products that are outside the parameters of the conditions outlined in items 1 through 4 above. The credits under the established Return Goods Contract shall be accessible to the customers through the PPV contract.

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I-18 Returns Goods Policy (cont.)

- e. However whenever the PPV accepts a customer's return for products purchased from the PPV, that are outside the parameters of the conditions outline in items 1 through 4 above (such as customer ordering error), the PPV shall perform such return in accordance with the standard industry practice:
- For returned products stocked by the prime vendor, the products shall be returned to inventory at no additional charge to the customer.
 - For special order products requiring return to the manufacturer by the prime vendor, the customer will pay the fee charged by the product supplier to its customers for returned goods.

I-19 Federal Government Holidays

Alternate delivery schedules may be required for the Government holidays listed below. The COTR for each ordering activity is responsible for specifying alternate delivery dates in writing to the PPV no later than the end of the 90-day implementation/transition period.

New Year's Day	January 1
Martin Luther King's Birthday	3 rd Monday in January
President's Day	3 rd Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	1 st Monday in September
Columbus Day	2 nd Monday in October
Veterans Day	November 11 th
Thanksgiving Day	4 th Thursday in November
Christmas Day	December 25

When one of the holidays falls on a Sunday, the following Monday will be observed as a legal holiday. When a holiday falls on a Saturday, the preceding Friday is observed by U.S. Government agencies.

There may be a few additional American Indian or Alaska Native Holidays wherein an IHS facility may not be available to accept deliveries. The COTR's or POC at those IHS facilities shall notify the PPV in writing of those holidays and their specified alternate delivery dates.

The PPV shall be responsible to notify each facility 7 calendar days prior to any delivery day changes imposed by the PPV due to a planned inventory shut down, etc.

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I-20 Price Loading

NOTE: THE VANAC SHALL AUTHORIZE ALL PRICE CHANGES MADE BY THE PPV TO ANY FSS AND NATIONAL CONTRACT COVERED UNDER THIS PROGRAM. ONLY THE VANAC HAS THE AUTHORITY TO INSTRUCT THE PPV OF A CHANGE IN PRICE IN THE PPV ORDERING SYSTEM. IN THE EVENT THAT THE PPV MAKES ANY PRICE CHANGES AT THE DIRECTION OF ANY PERSON OTHER THAN THE VANAC, THAT CHANGE SHALL BE CONSIDERED TO HAVE BEEN MADE WITHOUT AUTHORITY AND NO ADJUSTMENT IN PRICE SHALL BE MADE UNDER THE CONTRACT TO COVER ANY INCREASE IN CHARGES INCURRED BY THE PPV AS A RESULT THEREOF.

PPV changes shall only be made under the direction of the PPV representative designated in the clause "Contact for Contract Pricing" Part IV of the solicitation.

1. Any notice received from a manufacturer or participating customer of price changes for items on VA NAC contracts shall be forwarded to the NAC VA Contracting Officer for validation. Manufacturer or participating customer issued notifications of price changes shall not be used by the PPV to change VA NAC contract prices.
2. The PPV shall be responsible to monitor the VA's PBM website to obtain daily electronic pricing updates. The PPV shall electronically load all contract actions including price changes, product additions/deletions, contract extensions, and contract expirations by 6:00 am Eastern Time (ET) of the effective date of the change.
3. Updates pertaining to miscellaneous contracts that are currently not reflected on the PBM website shall be faxed or e-mailed to the PPV from the VANAC.
4. The PPV shall be responsible to reflect correct price loading information on each participating customers ordering screen as specified in Section I-3 of this solicitation. The PPV ordering screen shall provide information specific to the pricing and contract eligibility of each customer, and shall be available for use by the customer as an inquiry determination even prior to releasing an official delivery/task order to the PPV.
5. Currently, for FSS med surg contracts only, the effective dates of FSS modifications are the first and fifteenth of each month.
 - Updates approved by the VANAC CO and received by the PPV between the 11th and the 25th, the effective date of the CHANGE (not approval) shall be the 1st of the following month; or
 - Updates approved by the VANAC CO and received by the PPV between the 26th and the 10th of the following month, the effective date of the CHANGE (not approval) shall be the 15th of the following month.
6. The PPV shall load any and all price updates authorized by the VA NAC, (e.g. quantity discounts, BPA discounts, incentive agreements) for individual ordering sites, regional clusters of medical facilities, or agencies, and it shall be reflected on the customers PPV's screen (whether at an ordering point or inquiry point) through the PPV's automated order system.

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I-20 Price Loading (cont.)

7. Occasionally, FSS contract items (covered drugs only) may require a retroactive effective date as required by Public Law 102-585. This legislation prohibits pharmaceutical manufacturers from charging specified Federal entities prices higher than the calculated Federal Ceiling Price (FCP) for certain covered pharmaceutical products.
8. In accordance with Public Law 102-585, Veterans Health Care Act of 1992, FSS contractors that manufacture "covered drugs", as defined by the Public Law, must recalculate their pricing on an annual basis. These recalculations are due to the VA no later than November 15th, in accordance with the requirements of the Public Law. FSS Contractors are then given the opportunity to update their contract pricing to reflect the approved calculation changes. Pursuant to the Public Law, these changes must go into effect by January 1st of the following calendar year. The VA estimates 12,000 covered drug changes to be made, the majority of which will have price changes during the period of December through January. Due to the large number of pricing changes that must be completed before the end of the calendar year, the update schedule shown above will not apply when forwarding these price changes to the PPV. By the end of October each year, the NAC Contracting Office will work with the PPV to establish a time frame of forwarding such Public Law price changes electronically to the PPV for downloading.
9. For Federal Supply Schedule 65, Part I, Section B – Pharmaceuticals under Special Item Number (SIN) 42-2A, will have the need of a dual pricing structure. The dual prices will be separated into
 - a) one price available to all VA customers, PHS/IHS customers, and Coast Guard customers – sometimes referred to as the "Big 4", (Note: "Big 4" includes DOD facilities, however DOD facilities are not currently covered under this PPV program) and
 - b) one price for OGA's (other government agencies), available to all other Federal customers, such as BOP, and FDA customers, Option 1 State Veteran Homes with established Sharing Agreements, Howard University, etc.
10. The PPV shall be required to load two individual up front prices for certain line items and the responsibility to ensure the appropriate customers receive the appropriate pricing. Public Law pricing is granted to the "Big 4" customers, however, a FSS contractor can extend this pricing to all Government customers.
11. The PPV's awarded distribution fee shall be imbedded in the product price. Since, the Government anticipates a better distribution fee being offered to a customer paying under the alternate FAST PAY program; the Government will notify the PPV via a modification, whenever a participating OGA customer determines to switch over to the FAST PAY method of payment. Such notification shall require the PPV to apply the awarded FAST PAY distribution fee to the customer's account. However, if a Fast Pay OGA customer determines not to continue in the Fast Pay program, the PPV shall also be notified via a modification to apply the NET 15 day fee to the OGA customer.
12. The PPV's failure to timely and correctly load VA price reductions in accordance with the requirements outline in this section will require the PPV to reimburse the Government the difference between the price paid and the correct price for each order placed for the affected product from the date the price reduction should have occurred until the date the

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I-20 Price Loading (cont.)

PPV charged the customer the correct price. This amount shall bear simple interest from the date originally paid until repaid. The interest rate shall be the interest rate established by the Secretary of the Treasury as provided in Section 12 of the Contract Disputes Act of 1978 (Public Law 95-563), which is applicable to the period in which the amount was overcharged and then at the rate applicable for each six-month period as fixed by the Secretary until amount is paid. In addition, the Contracting Officer may negotiate additional consideration for excessive errors in billing or excessive delays in corrections or excessive delays in repayment of the overcharges and interest due. Excessive errors in billing may be considered by the Government as grounds for Termination for Cause (See Clause 52.212-4 Contract Terms and Conditions – Commercial Items (m)).

13. Periodic audits of PPV's Government customer accounts receivable may be conducted at VA's discretion. For pricing reviews/audits conducted by the Pharmacy Benefits Management group, the PPV shall:

- be notified in writing of the findings of the PBM audit,
- be required within 60 days to provide to the PBM through the NAC PPV Contracting Officer a written response and determination regarding the audits findings and
- within 90 days of the PPV's initial acknowledgement of the findings of the PBM audit and the PPV's response the NAC PPV Contracting Officer, the PPV shall be responsible to issue credits to the customers affected by the price discrepancies.

Failure by PPV to resolve the pricing discrepancies uncovered by an audit, will cause the matter to be pursued under the Disputes Act of this contract.

I-21 Price Administration

1. PPV shall strictly comply with Section I-20, Price Loading when entering the contract price (new or revised) into the ordering system. The contract price shall remain in effect until
 - (a) the contract expires, or
 - (b) the NAC VA Contracting Officer notifies the PPV of a price change or the deletion of the item.
2. Any notice received from a manufacturer or participating customer of price changes for items on VA NAC contracts shall be forwarded to the NAC VA Contracting Officer for validation. Manufacturer or participating customer issued notifications of price changes shall **not** be used by the PPV to change VA NAC contract prices.
3. Any contract price(s) applicable to any miscellaneous other government contract made a part of any resultant PPV contract shall remain in effect until:
 - (a) the contract expires, or
 - (b) the user who administers and/or provided the initial contract and pricing information notifies the VA NAC of a price change or a deletion of an item and the VA NAC notifies the PPV of the change.

In no event shall a VA NAC contract be deleted without direction from the VA NAC Contracting Officer, or prices changed for items that are under specific contract.

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I-22 Product Additions

The PPV shall load and make available all NAC authorized product additions in accordance with terms and conditions of this solicitation and its resultant contract(s). Product addition usage requirements shall be provided to the PPV by the customers within 90 days of effective date of product addition. In instances where the PPV show no purchasing activity for a new product addition within the initial six month period, the PPV shall notify the NAC Contracting Officer of the null activity and may request a re-evaluation of the addition of the product to the program.

For Product Additions due to a change in the Manufacturers NDC, or due to the deletion and replacement of a product by the Manufacturer, or in situations where the PPV is notified that the Government has determined a need to switch its procurement selections to the only available contract priced product; the PPV shall assign the usage history of the original product to the current product addition.

Product additions based on a participating customers request to add a covered product to their usage history, shall be honored by the PPV. The PPV shall inform the customer when the product addition has been completed.

I-23 Rebills, Reclaims or Adbills

Rebills, Reclaims or Adbills" are vehicles used to correct a previous invoice.

1. The PPV shall make price changes only in accordance with paragraph I-20 Price Loading, and I-22 Price Administration. Invoices and payments shall be reviewed for accuracy by both the ordering facility and the PPV within three months of manufacturer's notice of charge back denial. The PPV shall not issue Rebills, Reclaims, or Adbills after this date, unless approved by the NAC Contracting Officer. All rebills, reclaims, and ad bills, shall be clearly identified as such, and shall reference the original Purchase Order or Delivery/Task Order number (as assigned by the Parent facility in the instances when the order was requested by a Satellite facility), the original PPV invoice number, original order date, an itemized listing of the product(s) affected, any credit memo associated with the rebill, reclaim or ad bill, involved, the reason(s) for the Rebill, Reclaim or Ad bill and the effective date of the price change.
2. All Rebills, Reclaims, or Adbills, shall reflect the net difference due, after any original credited amount has been applied.
3. Rebills, Reclaims, or Adbills shall be made available to each customer (excluding those IHS and tribal customers serviced by the NSSC) on-line, with the option to print a hard copy.
4. All Rebills, Reclaims, or Adbills for the IHS and tribal customers serviced by the NSSC in Ada Oklahoma, shall be available only to the NSSC, Ada Oklahoma location.

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I-24 Credit Accounts

1. PPV shall create credit accounts for each Government ordering office participating under this contract.
2. Credit Accounts shall contain credits for, product returns, shorts, discounts from manufacturers, debits, volume discounts, tiered discounts, rebates, FSS BPA discounts, allowances in lieu of returns, etc. Each credit given shall be clearly identified as such, and shall reflect the original purchase order/delivery task order number, (as assigned by the Parent facility in the instances when the order was requested by a Satellite facility), the original PPV invoice number, original order date, an itemized listing of the product(s) affected, any rebill associated with the credit, and the reason(s) for the credit (i.e. manufacturer's credit, merchandise return, BPA program name, etc.).
3. Credits must be issued timely and all credits issued shall reflect the net credit amount available to the customer.
4. The PPV shall credit all credits due to a customers' credit account on a daily basis, and notify the customer of their credit balance on a monthly basis.
5. A Customers order using the available credit amounts in their credit accounts shall be of sufficient value to expend the accounts' total value against their order. The customer is expected to communicate its order in such a manner as to ensure an efficient processing of such a credit purchase. This transaction is a business matter between the PPV and the customer.
6. The PPV shall take all necessary steps to ensure that credits that become available close to the end of the Governments Fiscal Year (September 30th), are available for use in the customer's credit accounts no later than 5 days prior to the end of the fiscal year.
7. All credits issued shall be made available to each customer (excluding those IHS and tribal customers serviced by the NSSC) on-line, with the option to print a hard copy.
8. All credits issued for the IHS and tribal customers serviced by the NSSC in Ada Oklahoma, shall be available only to the NSSC. For all IHS and Tribal sites serviced by the NSSC, the individual facilities credit accounts shall be set up with the NSSC, as their parent ordering and payment office. All documentation regarding credits and debits for the sites serviced by the NSSC, shall meet the requirements cited herein and shall be released to the NSSC only and not the individual customers that they service.
9. The PPV is cautioned that credit purchases shall not result in the transmission of an EDI 810 transaction, except for those amounts of any order that are not sufficiently covered by the credit amount.

Note: There may be instances due to Public Law price changes or other price administration adjustments where the Government may require the PPV to submit such identified specific credits under a specific Government established delivery/task order number.

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I-25 Reports

All reports listed below shall be available on-line, in real-time, and be available for printing and downloading as an export file (Excel).

- Customers shall be able to print multiple pages simultaneously and to scroll through multiple pages.
- Customers shall be able to access on-line global data and be able to create/customize data into consolidated reports.

PPV shall provide the following reports as listed below. Report formats are provided as a guide, but the fields cited herein shall be shown. The order of the field placements on the individual reports is at the discretion of the PPV. The VA NAC and PBM are the only organizations authorized access to all Agency reports. The Director of the NSSC shall be given a duplicate of all reporting data that is provided to each IHS and Tribal facility throughout IHS. The Director of the NSSC is responsible for compiling all IHS and Tribal data and providing the necessary reporting information to IHS headquarters.

PPV shall provide their standard report package through a Management Information System (MIS) module that is interfaced with the Automated Ordering System, (Transaction Processing System (TPS)) used for placing electronic orders. This MIS module shall be made available to the Director of Pharmacy Service, or designated Point of Contact (POC), located at every facility serviced under the contract and the reports shall be made available at the ordering facility level. All reports outlined below shall be provided in ASCII format. All reports listed below shall be made available on line in real time, to the agencies denoted below. Failure to provide subject reports timely may result in a request for financial consideration and/or impact past performance reports. For reporting purposes, the PPV's automated order system shall include a standard field to denote "business size" for manufacturers, including those manufacturers who hold an FSS contract and/or National contract. This field is not required to appear on the ordering screen of the automated order system. However, the field may be required in reports requested by the Government offices listed below. The Contracting Officer will furnish the PPV the business size status information for all contractors whose products will be distributed through the PV program.

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I-25 Reports (cont.)

The required standard report packages are as follows:

I-25 (A) Reports for Ordering Facilities	I-25 (B) Reports for VA National Acquisition Center (Contracting Officer) and Program Management Offices	I-25 (C) Reports for Supply Offices and Pharmacy Directors located at each ordering site	I-25 (D) IHS Specific Report Requirements for Indian Health Service, National Supply Service Center, (NSSC) Ada, OK
1. Velocity I	Vendor Contract Supply Problem	Velocity I	Non-Formulary Drug
2. Velocity II	National Contract Compliance	Velocity II	Narcotic Drug Report
3. Usage	Sales Report	Usage	Report 45 –Drug Distributed by Facility Report
4. Contract Compliance	Fill Rate Report (Global)	Narcotic Drug Report	Product Allocations
5. Narcotic Drug Report	Agency Summary Report	Vendor Contract Supply Problem	
6. Fill Rate	Grand Summary	Contractors' Sales Summary	
7. Product Allocations	Contractor Sales Summary Report	Contract Compliance Report	
8.	Product Allocations		
9.	Product Diversion Alert		
10.	CMOP Out of Stock/MBO Report		

The standard report packages shall include the following:

Note 1: In addition to NDC's, PPV shall use Universal Product Numbers (UPN's) and Unit Product Codes (UPC's) as unique item number identifications when they are made available by manufacturer.

Note 2: VA NAC and PBM shall have global read only access to ALL reports for ALL participating facilities.

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I-25 (A) Reports for Ordering Facilities

1. Velocity Report I -- Items listed in descending order by dollars spent
2. Velocity Report II --Items listed alphabetically by generic description

Fields required for both reports:

a. NDC	h. Cost of product/item/unit
b. UPN	i. Contract type- identification or code that identifies product/item/unit as FSS, National, BPA, Misc. contract, or Open Market Designation.
c. UPC	j. FSS, National, BPA or Misc. Contract number.
d. Generic Description	k. Dollars spent on product/item/unit for specified reporting period.
e. Dosage form	l. Total products/items/units purchased for specified reporting period.
f. Strength	m. Historical movement of product/item/unit from Contract Start up Effective date to end of specified reporting period.
g. Package size/product/item unit	n. Average product/item/unit movement during specified reporting period.

3. Usage Report- Items listed alphabetically by generic description

Fields required:

a. Generic Description	h. Total products/items/units purchased
b. Dosage form	i. Total dollars of products/items/unit purchased
c. Strength	j. Purchase for specified reporting period in units.
d. Package size/order unit	k. Purchase for specified reporting period in dollars.
e. National Drug Code	l. Manufacturer
f. Universal Product Number	m. Summary of Total at end of reports: 1. Cost/order unit 2. FSS, National, BPA or Misc. Contract number or Open Market Designation.
g. Unit Product Code	

4. Contract Compliance Report, Items listed by generic class and alphabetically by generic description with generic class

Fields required:

a. Generic Description	g. Quantity purchased during specified timeframe.
b. Dosage form	h. Dollars purchased during specified timeframe.
c. Strength	i. Cost/order unit
d. Package size/order unit	j. Cost/each dispensed unit
e. FSS, National, BPA, Misc. Govt. contract number or Open Market Designation.	k. Contract type – identification or code that identifies item as FSS, National, BPA or Misc. Govt. contract item
f. Manufacturer	

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I-25 Reports (cont.)

I-25 (A) Reports for Ordering Facilities (cont.)

5. Narcotic Report, Listing of Schedule II and Schedule III narcotic controlled substances sorted alphabetically by generic description

Fields required:

a. Generic Description	h. Product/Item/ Unit Product Code
b. Dosage form	i. Control Schedule
c. Strength	j. Quantity shipped
d. Package size/order unit	k. Invoice Number
e. Cost/order unit	l. Date shipped
f. National Drug Code	m. Manufacturer
g. Universal Product Number	

6. Fill Rate Report, Daily

The PPV, within 24 hours after the end of the ordering period (defined as 6:00pm participating customer's local time) shall report daily fill rate activity that transpired at the ordering facility account level. The fill rate information for all days to date in a given specified timeframe shall be accessible within this report. The following are the minimum fields required:

Fields required:

a. FSS, NATIONAL, BPA, MISC. contractor Name	f. Total Product, items/units Ordered
b. Identification of specified reporting period.	g. Total products/units Filled
c. Facility Name	h. PPV Shorts
d. Facility Account Number	i. Shorts due to MBO's
e. Report Date (MM/DD or Month-Day format acceptable)	j. Daily Fill Rate Percentage

7. Product Allocation Report:

Note: A products allocation status must also show on PPV's ordering screen at the time the customers are performing a product inquiry or creating an order for release. A customers' confirmation printback, must also annotate that a product is unavailable due to an allocation status.

Fields

a. NDC	h. Package size/product/item unit
b. PPV product number	i. Contract type- identification or code that identifies product/item/unit as FSS, National, BPA, Misc. contract, or Open Market Designation
c. UPN (where available)	j. FSS, National, BPA or Misc. Contract number.
d. UPC (where available)	k. Allocation Start Date
e. Product Description	l. Anticipated Allocation End Date
f. Dosage form	m. Customers Allocation Level
g. Strength	n. Allocation Assigned by: (VA, PPV, MFG)

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I-25 Reports (cont.)

I-25 (B) Reports for VA National Acquisition Center (Contracting Officer) and Program Management Offices

Global, read-only access to all ordering facilities' account records, whether created by automated order system or manual order system shall be made available to the following Government program management offices. These program offices shall have access only to their respective facilities' records except for the Director of the NSSC, which shall have access to all IHS and Tribal data.

NOTE: VA NAC and PBM are the only organizations authorized to access ALL Agency reports. IHS NSSC, Ada, OK will have access to all IHS and Tribal facility reports.

Department of Veterans Affairs

1. Program Manager, PPV Team, Pharmaceutical Products Division (049A1N2PV), VA National Acquisition Center, P.O. Box 76, Hines, IL 60141 (all ordering sites)
2. Director, Pharmacy Benefits Management (119), National Acquisition Center, Hines IL 60141 (all ordering sites)

Department Of Health and Human Services

1. Director, NSSC, 1005 N. Country Club Road, Ada Oklahoma 74820 (IHS & Tribal & "638 facilities Nationwide)
2. Area Pharmacy Officer, Billings Area Indian Health Service, 2900 4th Avenue North, Billings, MT 59103 (IHS sites in Northwest Region)
3. Chief Pharmacy Officer, Santa Fe Indian Hospital, 1700 Cerrillos Road, Santa Fe, NM 88340 (IHS sites in Southwest Region).
4. Area Pharmacy Officer, Portland Office, 1220 SW Third, Avenue, Room 476, Portland, OR 97204 (IHS and Tribal sites in Northwest region).
5. Area Pharmacy Officer, Aberdeen Area Indian Health Service, 115 -4th Avenue, Federal Building Aberdeen, SD 57401 (IHS site in Upper Midwest region).
6. Chief Pharmacy Officer, IHS Indian Hospital, Red Lake, MN 56671 (IHS sites in upper Midwest Region)
7. Area Pharmacy Officer, Phoenix Area IHS, Two Renaissance Square, 40 North Central Avenue, Phoenix, AZ 85004 (IHS and Tribal sites in Southwest **and** Northwest Regions).
8. Gallup Supply Management Officer, Gallup Supply Service Center, P.O. Box 3090, Gallup, NM 87305 (IHS sites in Southwest region).
9. Senior Contracting Officer, Alaska Area Indian Health Service, 250 Gambell Street, Anchorage, AK 99501 (IHS and Tribal sites Alaska Region).

Federal Bureau of Prisons (BOP)

Chief of Pharmacy, Health Services Division, Federal Bureau of Prisons, 320 1st Street, NW, Washington, DC 20534 (all participating BOP sites)

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I-25 Reports (cont.)

I-25 (B) Reports for VA National Acquisition Center (Contracting Officer) and Program Management Offices

Department Of Health and Human Services- Cont.

1. Vendor Contract Supply Problem Report-

PPV shall provide a weekly report identifying any problems it is having with supplies as it affects their performance under the PPV contract. The report shall specifically address manufacturer's backorder situations, pricing, chargebacks, and shipping or delivery problems. The report shall contain, at a minimum, the following:

Code	Character Length	Description	Example
Date	17 N	Calendar Quarter	04/01/04-04/07/04 mm/dd/yy - mm/dd/yy
Cntname	25 Alpha	FSS/National /BPA, Misc. Contractor.	XYZ Laboratories
Cntno	11-15 Alpha Numeric	FSS/National/BPA Contract Number assigned by VA NAC	V797P-1234N
Mfr. Chgback #	11 (Alpha Numeric)	Manufacturer's Contract/Chargeback Number	123XYZ987A
NDC	11	National Drug Code	00008154505
UPC	11	Unit Product Code	23569589752
UPN	8-20 Alpha Numeric variable or 14 numeric fixed	Universal Product Number	+A123BJC5D6E71G or 00391234678906
Generic	64	Generic Description	Amoxapine, 100 MG, Tab, 100s
Status	60	Brief description of issues/problems	Mfg. B/O; product release in 30 days

The status shall clearly state the reason(s) for any stock outage or backorder, and indicate the length of time for replenishment by the manufacturer.

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I-25 Reports (cont.)

I-25 (B) Reports for VA National Acquisition Center (Contracting Officer) and Program Management Offices (cont.)

2. National Contract Compliance Report, Monthly

The PPV shall provide a report identifying facilities that have requested an alternative source product, deviating from the National Mandatory Contract pursuant to one of the exceptions stated in section I-9 (Lockout Procedures). The Contracting Officer shall furnish a listing of Agencies and Agency sites that shall be given access to purchase items under National contracts within 30 days after date of award of a National contract. Such listing shall be updated by the NAC Contracting Officer and made available to the PPV to aid the PPV in updating its customer eligibility files when new National contracts are awarded. The report shall contain at a minimum, the following elements:

Code	Character Length	Description	Example
Date	17	Calendar Quarter	03/01/04-03/31/04
Generic	64	Generic Description	Cimetidine
NDC	11	National Drug Code	00089458201
UPC	11	Unit Product Code	23569589752
UPN	8-20 Alpha Numeric variable or 14 numeric fixed	Universal Product Number	+A123BJC5D6E71G or 00391234678906
Size	3-8 Alpha Numeric variable	Product/item/unit package size	1ml
Purchase	6 Numeric (0 decimal)	Total Units Purchased	5
Cost	8 Numeric (0 decimal)	Unit Contract Price	150.58
Total	11 Numeric (0 decimal)	Total Charge for that line item (excluding distribution fee)	752.90
Cntname	25	FSS/National Contractor	XYZ Laboratories
Cntno	11 – 17 Alpha Numeric	FSS/National Contractor Number assigned by VA NAC	V797P03-NC-1234
Facility	20	Name of Facility	VA Hines, IL
STN	5 –7 (2-3 Alpha, 3-4 Numeric)	Medical Center Number or facility number	765, 520AY or FP1234
Status	60	Reason Cited for Deviation	Patient experience negative reaction

“Station Number (STN)” is a number used to identify each ordering site. The station number coupled with an Agency code (e.g. VA, BOP, IHS, SVH, FDA) continues to be the unique identification number for each ordering site (e.g. “FP1234” , “534VA”). **(Note: BOP has implemented a new station format that consists of 2-3 alpha and 4 numeric character lengths.)** Any sites added to the contract after award shall include the facility’s station number.

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I-25 Reports (cont.)

I-25 (B) Reports for VA National Acquisition Center (Contracting Officer) and Program Management Offices (cont.)

3. Sales Report, Monthly

The PPV, within 15 calendar days following the end of each month, shall provide on-line, a monthly report of sales for each facility (identified by assigned station number). Report shall show a line item by line item and by product/item/unit cost. Unit cost can be listed by ascending or descending order or by chronological invoice date. The data will be required for each facility covered under the contract.

An on-line aggregate sales report, which identifies purchases made to each Agency and grouped by FSS, National, BPA, BOA, Miscellaneous contracts, and open market products/items/units, shall accompany the itemized sales data. The report shall contain at a minimum, the following fields:

Description	Field Length	Expanded Description	Example
Date	17	Calendar quarter covered by Report	04/01/04 – 04/30/04
STN	5 to 7 Alpha Numeric	Facility Number	695, 520AY or FP1234
NDC	11	National Drug Code	00007463902
UPC	11 Char.	Unit Product Code	25698745689
UPN	8 – 20 Variable Alpha Numeric or 14 Fixed Width Numeric	Universal Product Number	+A123BJC5D6E71G or 00391234678906
Gendesc	64	Generic Description	Ampicillin
Str	10	Product Strength	500mg
Form	3 Alpha	Dosage Form	CAP
Pkg	10	Package Size	1000
Unit Cost	8 Numeric (2 decimal)	Unit Contract Cost (does not include dist. Fee)	314.50
#Units	5 Numeric (0 decimals)	Total Units Purchased	5
TtlCost	11 numeric (2 decimal)	Total Charge for that line item (not including dist. fee)	1572.50

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I-25 Reports (cont.)

I-25 (B) Reports for VA National Acquisition Center (Contracting Officer) and Program Management Offices (cont.)

3. Sales Report, Monthly (cont.)

Description	Field Length	Expanded Description	Example
CntNo	11-15 Alpha Numeric	FSS/National, BPA, Misc Govt. Contract number or Open Market Designation	V797P-1234k e.g. 578-P2000
CntID	1	FSS, National, miscellaneous other Govt contract or Open Market Designation	F=FSS; N=National; M=Miscellaneous Govt Ctr, O=Open Market.
Mfr. Chgback #	11 Alpha Numeric	Manufacturer's Contract/ Chargeback Number	123XYZ987A
Vendname	25 Characters	Name of Vendor/Contractor	XYZ Labs
PVCnt	11 Alphanumeric	Contract number assigned to Prime Vendor by VA NAC	V797P-9876k
PV Name	25	Name of Prime Vendor	XYZ Distr. Co.
Class	5	VA Classification Number	AMO52
Invoice Number	7 Alpha Numeric	Invoice number	15649yy
Invoice Date	8	Invoice date	MM/DD/YY
Saledate	8	Date of line item sale. If this is a summary of multiple sales during the month, you may use the last day of the month as an indicator format should be MM-DD-YY	MM/DD/YY
Distribution Center Number	7 Alpha Numeric	Identification of PPV distribution center	123NYS9
Distribution Fee	4 Numeric (2 decimal)	Fee charged for distribution (exclusive of any other fees)	1.25
DEA	9 (2 Alpha then 7 Numeric)	Drug Enforcement Agency # (Global) of the ordering facility	AB3361879

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I-25 Reports (cont.)

I-25 (B) Reports for VA National Acquisition Center (Contracting Officer), and Program Management Offices (Cont.)

4. Fill Rate Report (Global), Monthly

See I-25 (A) (7) above. This version of the fill rate report shown in I-25 (A) (7), shall be a compilation of all Agency ordering sites' information. Therefore, the recipients listed above in the introductory section of I-25 (B) shall only receive fill rate information for their respective Agency or all agencies, in the case of the VANAC Contracting Officer and VA Pharmacy Benefits Management Strategic Health Group, and all IHS agencies and Tribal facilities for the Director of the NSSC. The fill rate shall be calculated daily and reflected in this report. Within 30 calendar days following the end of each month, the information shall be provided in ASCII fixed-width format, on CD ROM, "3-1/2" double-sided, high density diskettes, by electronic mail or EDI, when implemented. The data will be required for each facility covered under the contract.

5. Agency Summary Report, Agency, i.e., VA, BOP, IHS, HHS SSC, etc.

Fields required:

Sales to Agency, year-to-date (e.g. Govt. Fiscal Year 10/1/04 – 9/30/05)
Sales to Agency during specified reporting period
Sales by station number during reporting period
Number of facilities serviced during reporting period

6. Grand Summary Report, – Report to VANAC Only

Fields required:

Grand total report – sales to all agencies during specified reporting period
Total sales to each Agency (e.g. VA, BOP, IHS, etc.) during reporting period
Number of all facilities serviced during reporting period
Number of all facilities, by Agency, serviced during reporting period

7. Contractor's Sales Summary Report – Report to NAC Only

Fields required

a. FSS, National, BPA, BOA, Miscellaneous government contractor's, or Open Market manufacturers name.	e. Summary for each FSS, National or Miscellaneous other government Contractor.
b. Contract number	f. Total dollars purchased, all items under each contract.
c. Total dollars purchased from this contractor under the given contract during previous quarter	g. Total dollars purchased, all open market products/items/units.
d. Summary by Contract Type	h. Grand total of all purchases made from FSS, National or Miscellaneous other Govt. Contractor

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I-25 Reports (cont.)

**I-25 (B) Reports for VA National Acquisition Center (Contracting Officer), and
Program Management Offices (Cont.)**

8. Product Allocation Report:

Note: A products allocation status must also show on PPV's ordering screen at the time a customer is performing a product inquiry or creating an order for release. A customers' confirmation printback, must also annotate that a product is unavailable due to an allocation status.

Fields

a. NDC	h. Package size/product/item unit
b. PPV product number	i. Contract type- identification or code that identifies product/item/unit as FSS, National, BPA, Misc. contract, or Open Market Designation
c. UPN (where available)	j. FSS, National, BPA or Misc. Contract number.
d. UPC (where available)	k. Allocation Start Date
e. Product Description	l. Anticipated Allocation End Date
f. Dosage form	m. Allocation Level
g. Strength	n. Allocation Assigned by: (VA, PPV, MFG)

9. Product Diversion Alert- Report to NAC ONLY

Notes:

- The reported information is required as a tool for the PPV and the VANAC Contracting Office, along with product manufacturers to ensure that Pharmaceutical products ordered under Federal Supply Schedule (FSS) contracts are intended solely for the use of authorized ordering activities in carrying out their Federal missions; they are not intended for resale or barter.
- This report shall only be used as an alert to the VANAC Contracting Office, when the PPV has determined that a participating facility has exceeded their normal purchasing thresholds by a significant amount ("such as the tripling of usual ordered quantities by an activity, coupled with its failure to demonstrate a corresponding increase in its institutional size or patient base" see Clause AS3023, included herein), which in some cases may be a sign of possible product diversion.
- The PPV is informed that the information in this alert may be shared with the entity responsible for the possible product diversion.
- It is also noted that the PPV by submitting this alert for possible product diversion, along with the VANAC Contracting Office acknowledging acceptance of the alert, does not accept responsibility, or liability for the suspected possible product diversion.

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I-25 Reports (cont.)

**I-25 (B) Reports for VA National Acquisition Center (Contracting Officer), and
Program Management Offices (Cont.)**

9. Product Diversion Alert- (cont). Report to NAC Only

Fields

a. NDC	i. Contract type- identification or code that identifies product/item/unit as FSS, National, BPA, Misc. contract, or Open Market Designation
b. PPV product number	j. FSS, National, BPA or Misc. Contract number.
c. UPN (where available)	k. Customer identification (Station #, PPV acct # etc)
d. UPC (where available)	l. Start Date of suspected diversion
e. Product Description	m. Increased % level of product purchase
f. Dosage form	n. Procurement History (quantity, purchase order numbers, invoices, etc)
g. Strength	o. Status of action taken by PPV
h. Product /item/unit size	

10. CMOP Out of Stock Report – Report to NAC Only

Responsible PPV shall provide a weekly report every Monday identifying the top twenty-five (25) items that were out of stock for all the CMOP facilities from the previous week. This report will be sorted by the quantity of the out of stock item. The report shall contain, at a minimum, the following:

Code	Character Length	Description	Example
Item Number	10	PPV Item Number	123456789
Generic Description	64	Generic Description	Lisinopril 10mg Tab
NDC	11	National Drug Code	00000112233
Vendor Name	24	Product Supplier Name	XYZ Company
Out Of Stock & M.B.O. Quantity	10	Number of bottles, tubes, boxes, etc., unavailable due to an out of stock and/or MBO status	80,800

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I-25 Reports (cont.)

I-25 (C) On-Line reports for Supply Offices and Pharmacy Directors located at each ordering site

PPV shall provide the following on-line reports to VA's facilities attention: Chief, Acquisition and Materiel Management (90) and VA's Director of Pharmacy Svc; and for other government agencies, direct the report to the attention of Chief, Pharmacy Svc. and to Chief Acquisition and Material Management. The reports shall be available on-line, real time with the capability of being printed or downloaded.

1. Velocity I – As described in I-25 (A)(1)
2. Velocity II – As described in I-25 (A)(2)
3. Usage Report – As described in I-25 (A) 3
4. Narcotic Report – As described in I-25 (A) 5
5. Vendor Contract Supply Problem Report, Weekly, FSS or National contractor to be listed alphabetically (I-25(B)1)
6. Contractors' Sales Summary- As described in I-25 (B) 6
7. Contract Compliance Report – As described in I-25 (A) 4

The respective contract number shall identify any item under contract: FSS, National, BPA, BOA or miscellaneous other government contract (e.g., VANAC numbering format starts with identifier "V797P" and is followed by a five-character Alpha Numeric serial number: example: "V797P-1234k".

I-25 (D) IHS NSSC Specific Report Requirements

The following reports are in addition to the reports listed in sections I-25(A) – (C). The reports shall be made available on-line in real time for easy download, within 15 calendar days following the end of each month.

Reports shall be provided to the Director of the NSSC.

The NSSC shall have access to PPV/IHS purchase history information and reports for all IHS facilities nation-wide. This information will be used by IHS to determine participation in the VA National Contracts, BPA's and other government contracts.

1. **"Report 45 – Drugs Distributed by Facility"** (or similar report that will provide the following information:

Fields Required:

a. FSS, National, BPA, BOA, Miscellaneous government contractor's, or Open Market manufacturers name.	f. Drug Size
b. Contract number or open market designation.	g. Total quantity purchased of each product/item/unit.
c. IHS/ Tribal Station Number	h. Date of purchase(s).
d. Drug Purchased	i. Total dollars purchased, all open market products/items/units.
e. Drug Strength	j. Grand total (by usage) of all purchases made during specified reporting period.

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I-25 Reports (cont.)

I-25 (D) IHS NSSC Specific Report Requirements (cont.)

This report shall reflect revolving history from the effective date of the contract.

2. Reports are to be distributed for the "Department of Health and Human Services – Indian Health Service (IHS)" to the following:
 - Director, NSSC, and the C.O.T.R., 1005 N. Country Club Road, Ada Oklahoma 74820 (IHS & Tribal and "638" facilities Nationwide)
 - Area Pharmacy Officer, Billings Area Indian Health Service, 2900 4th Avenue North, Billings, MT 59103 (IHS sites in Northwest Region)
 - Chief Pharmacy Officer, Santa Fe Indian Hospital, 1700 Cerrillos Road, Santa Fe, NM 88340 (IHS sites in Southwest Region).
 - Area Pharmacy Officer, Portland Office, 1220 SW Third, Avenue, Room 476, Portland, OR 97204 (IHS and Tribal sites in Northwest region).
 - Area Pharmacy Officer, Aberdeen Area Indian Health Service, 115 –4th Avenue, Federal Building Aberdeen, SD 57401 (IHS site in Upper Midwest region).
 - Chief Pharmacy Officer, IHS Indian Hospital, Red Lake, MN 56671 (IHS sites in upper Midwest Region)
 - Area Pharmacy Officer, Phoenix Area IHS, Two Renaissance Square, 40 North Central Avenue, Phoenix, AZ 85004 (IHS and Tribal sites in Southwest & Northwest Regions).
 - Gallup Supply Management Officer, Gallup Supply Service Center, P.O. Box 3090, Gallup, NM 87305 (IHS sites in Southwest region)
 - Senior Contracting Officer, Alaska Area Indian Health Service, 250 Gambell Street, Anchorage, AK 99501 (IHS and Tribal sites Alaska Region).

I-26 Distribution Fees

The Distribution fee shall be a firm fixed price, offered as a percent of the product price. The Distribution fee shall represent all elements of the PPV's delivered price other than the product price.

- The government requires one negative distribution fee per region.
- This negative distribution fee will then be imbedded into the price of the product/item unit ordered.
- Offerors shall identify the negative distribution fee as a percentage of the unit/item/product price.
- Price Rounding shall be used when calculating the final product price.
 - (When calculating pricing that results in more than two decimal points, prices shall be rounded to the cent. Decimals of less than 0.5 shall be rounded down, and decimals of 0.5 and above shall be rounded up.)

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I-27 Fee Schedule

Line Item:

1. North Region (VISN 1, 2 & 3 plus OGA)
2. Northeast Region (VISN 4 & 5 plus OGA)
3. Appalachian Region (VISN 6 & 7 plus OGA)
4. Everglades Region (VISN 8, Puerto Rico, Virgin Island plus OGA)
5. Blue Grass Region (VISN 9 & 10 plus OGA)
6. Great Lakes Region (VISN 11 & 12 plus OGA)
7. Upper Midwest Region (VISN 23 plus OGA)
8. Heartland Region (VISN 15 & 16 plus OGA)
9. Southwest Region (VISN 17 & 18 plus OGA)
10. Northwest Region (VISN 19 & 20 plus OGA)
11. West Region (VISN 21 & 22, VA Manila, Philippines plus OGA)
12. Alaska Region (VA Alaska plus OGA)
13. Hawaii Region (VA Hawaii plus OGA)
14. 7 CMOP

LINE ITEMS 1-13 (ALL REGIONS)

REGION	ESTIMATED MONTHLY FAST PAY SALES	P & M/S FEE
1-13	\$115,000,000	-5.15%

REGION	ESTIMATED MONTHLY NET 15 SALES	P & M/S FEE
1-13	\$36,000,000	-4.90%

LINE ITEM 14 (CMOPs)

CMOPS	ESTIMATED MONTHLY FAST PAY SALES	P & M/S FEE
7 CMOP	\$213,000,000	-5.15%

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I-28 Optional Equipment

- a. PPV shall provide 2 hand held order entry devices, for each facility as part of its "distribution fee", as well as a printer and any required modem to enable on-line, real time ordering and printing (see Automated Ordering System). Each additional hand held order entry device as requested by the individual facility, shall be provided at a rental price per month of:
\$ 125.00 per month
- b. PPV shall provide personal computers as specified under Section I-3 as part of its proposal as well as any required modem to enable on-line, real time ordering and printing (see Automated Order System). Each additional computer as requested by the individual facility, shall be provided at a rental price per month of:
\$ 125.00 per month

Note: Rental fees for additional equipment in excess of the minimum requirements will not be included in the process of evaluation for award. The length of the rental term for any additional equipment shall be determined between the individual requesting facility and the PPV.

1-29 Licenses, Permits, and Registration Requirements

Offerors must have in place prior to the start of the contract, and must maintain for the life of the contract, all current licenses, permits and registrations required by State, local and Federal Government agencies. Offerors shall make such documentation available upon request by the Contracting Officer.

52.212-4 Contract Terms and Conditions—Commercial Items (June 2010) (DEVIATION) (APR 2011)

(a) *Inspection/Acceptance.* (Tailored) Pharmaceutical products will be ordered by the Government through the authorized VA Pharmaceutical Prime Vendor(s). The Government's inspection rights become effective upon receipt at the Government ordering facility. The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any supplies or services that have been tendered for acceptance. The Government may require repair or replacement of nonconforming supplies or re-performance of nonconforming services at no increase in contract price. The Government must exercise its post-acceptance rights (1) Within a reasonable time after the defect was discovered or should have been discovered; and (2) Before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item.

(b) *Assignment.* The Contractor or its assignee may assign its rights to receive payment due as a result of performance of this contract to a bank, trust company, or other financing institution, including any Federal lending agency in accordance with the Assignment of Claims Act (31 U.S.C. 3727). However, when a third party makes payment (e.g., use of the Government wide commercial purchase card), the Contractor may not assign its rights to receive payment under this contract.

(c) *Changes.* Changes in the terms and conditions of this contract may be made only by written agreement of the parties.

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52.212-4 Contract Terms and Conditions—Commercial Items (June 2010) (DEVIATION)
(APR 2011) (continued)

(d) *Disputes* (DEVIATION)

(1) This contract is subject to the Contract disputes Act of 1978, as amended (41 U.S.C. 601-613). Failure of the parties to this contract to reach agreement on any request for equitable adjustment, claim, appeal or action arising under or relating to this contract shall be a dispute to be resolved in accordance with the clause at FAR 52.2333-1, Disputes, which is incorporated herein by reference. The Contractor shall proceed diligently with performance of this contract, pending final resolution of any dispute arising under the contract.

(2) The Civilian Board of Contract Appeals (CBCA) has jurisdiction over any disputes arising under this contract. Also, a dispute arising between a product supplier and an authorized VA Pharmaceutical Prime Vendor does not give rise to a “claim” under the Disputes Clause, FAR 52.233-1.

(e) *Definitions*. The clause at FAR 52.202-1, Definitions, is incorporated herein by reference.

(f) *Excusable delays*. The Contractor shall be liable for default unless nonperformance is caused by an occurrence beyond the reasonable control of the Contractor and without its fault or negligence such as, acts of God or the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe

weather, and delays of common carriers. The Contractor shall notify the Contracting Officer in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the Contracting Officer of the cessation of such occurrence.

(g) Invoice. (DEVIATION)

(1) The Contractor shall submit an original invoice and three copies (or electronic invoice, if authorized) to the address designated in the contract to receive invoices. An invoice must include—

(i) Name and address of the Contractor;

(ii) Invoice date and number;

(iii) Contract number, contract line item number and, if applicable, the order number;

(iv) Description, quantity, unit of measure, unit price and extended price of the items delivered; lot number, product expiration date and PPV assigned customer account number.

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52.212-4 Contract Terms and Conditions—Commercial Items (June 2010) (DEVIATION)
(APR 2011) (continued)

- (v) Shipping number and date of shipment, including the bill of lading number and weight of shipment if shipped on Government bill of lading;
- (vi) Terms of any discount for prompt payment offered;
- (vii) Name and address of official to whom payment is to be sent;
- (viii) Name, title, and phone number of person to notify in event of defective invoice; and
- (ix) Taxpayer Identification Number (TIN). The Contractor shall include its TIN on the invoice only if required elsewhere in this contract.
- (x) Electronic funds transfer (EFT) banking information.

(A) The Contractor shall include EFT banking information on the invoice only if required elsewhere in this contract.

(B) If EFT banking information is not required to be on the invoice, in order for the invoice to be a proper invoice, the Contractor shall have submitted correct EFT banking information in accordance with the applicable solicitation provision, contract clause (e.g., 52.232-33, Payment by Electronic Funds Transfer—Central Contractor

Registration, or 52.232-34, Payment by Electronic Funds Transfer—Other Than Central Contractor Registration), or applicable agency procedures.

(C) EFT banking information is not required if the Government waived the requirement to pay by EFT.

(2) Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) prompt payment regulations at 5 CFR Part 1315.

(h) *Patent indemnity.* The Contractor shall indemnify the Government and its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark or copyright, arising out of the performance of this contract, provided the Contractor is reasonably notified of such claims and proceedings.

(i) Payment.—

(1) *Items accepted.* Payment shall be made for items accepted by the Government that have been delivered to the delivery destinations set forth in this contract.

(2) *Prompt payment.* The Government will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and prompt payment regulations at 5 CFR Part 1315.

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52.212-4 Contract Terms and Conditions—Commercial Items (June 2010) (DEVIATION)
(APR 2011) (continued)

(3) *Electronic Funds Transfer (EFT)*. If the Government makes payment by EFT, see 52.212-5(b) for the appropriate EFT clause.

(4) *Discount*. In connection with any discount offered for early payment, time shall be computed from the date of the invoice. For the purpose of computing the discount earned, payment shall be considered to have been made on the date which appears on the payment check or the specified payment date if an electronic funds transfer payment is made.

(5) *Overpayments*. If the Contractor becomes aware of a duplicate contract financing or invoice payment or that the Government has otherwise overpaid on a contract financing or invoice payment, the Contractor shall—

(i) Remit the overpayment amount to the payment office cited in the contract along with a description of the overpayment including the—

(A) Circumstances of the overpayment (*e.g.*, duplicate payment, erroneous payment, liquidation errors, date(s) of overpayment);

(B) Affected contract number and delivery order number, if applicable;

(C) Affected contract line item or subline item, if applicable; and

(D) Contractor point of contact.

(ii) Provide a copy of the remittance and supporting documentation to the Contracting Officer.

(6) *Interest*.

(i) All amounts that become payable by the Contractor to the Government under this contract shall bear simple interest from the date due until paid unless paid within 30 days of becoming due. The interest rate shall be the interest rate established by the Secretary of the Treasury as provided in Section 611 of the Contract Disputes Act of 1978 (Public Law 95-563), which is applicable to the period in which the amount becomes due, as provided in (i)(6)(v) of this clause, and then at the rate applicable for each six-month period as fixed by the Secretary until the amount is paid.

(ii) The Government may issue a demand for payment to the Contractor upon finding a debt is due under the contract.

(iii) *Final decisions*. The Contracting Officer will issue a final decision as required by 33.211 if—

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52.212-4 Contract Terms and Conditions—Commercial Items (June 2010) (DEVIATION)
(APR 2011) (continued)

(A) The Contracting Officer and the Contractor are unable to reach agreement on the existence or amount of a debt within 30 days;

(B) The Contractor fails to liquidate a debt previously demanded by the Contracting Officer within the timeline specified in the demand for payment unless the amounts were not repaid because the Contractor has requested an installment payment agreement; or

(C) The Contractor requests a deferment of collection on a debt previously demanded by the Contracting Officer (see 32.607-2).

(iv) If a demand for payment was previously issued for the debt, the demand for payment included in the final decision shall identify the same due date as the original demand for payment.

(v) Amounts shall be due at the earliest of the following dates:

(A) The date fixed under this contract.

(B) The date of the first written demand for payment, including any demand for payment resulting from a default termination.

(vi) The interest charge shall be computed for the actual number of calendar days involved beginning on the due date and ending on—

(A) The date on which the designated office receives payment from the Contractor;

(B) The date of issuance of a Government check to the Contractor from which an amount otherwise payable has been withheld as a credit against the contract debt; or

(C) The date on which an amount withheld and applied to the contract debt would otherwise have become payable to the Contractor.

(vii) The interest charge made under this clause may be reduced under the procedures prescribed in 32.608-2 of the Federal Acquisition Regulation in effect on the date of this contract.

(j) *Risk of loss.* Unless the contract specifically provides otherwise, risk of loss or damage to the supplies provided under this contract shall remain with the Contractor until, and shall pass to the Government upon:

(1) Delivery of the supplies to a carrier, if transportation is f.o.b. origin; or

(2) Delivery of the supplies to the Government at the destination specified in the contract, if transportation is f.o.b. destination.

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52.212-4 Contract Terms and Conditions—Commercial Items (June 2010) (DEVIATION) (APR 2011) (continued)

(k) *Taxes.* The contract price includes all applicable Federal, State, and local taxes and duties.

(l) *Termination for the Government's convenience.* (Tailored) The Government reserves the right to terminate this contract, or any part hereof, for its sole convenience. In the event of such termination, the Contractor shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. In the event of a partial termination, only the terminated portion shall be affected, and the contractor shall proceed as instructed by the Contracting Officer. Subject to the terms of this contract, the Contractor shall be paid a percentage of the contract price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges the Contractor can demonstrate to the satisfaction of the Government using its standard record keeping system, have resulted from the termination. The Contractor shall not be required to comply with the cost accounting standards or contract cost principles for this purpose. This paragraph does not give the Government any right to audit the Contractor's records. The Contractor shall not be paid for any work performed or costs incurred which reasonably could have been avoided.

(m) *Termination for cause.* The Government may terminate this contract, or any part hereof, for cause in the event of any default by the Contractor, or if the Contractor fails to comply with any contract terms and conditions, or fails to provide the Government, upon request, with adequate assurances of future performance. In the event of termination for cause, the Government shall not be liable to the Contractor for any amount for supplies or services not accepted, and the Contractor shall be liable to the Government for any and all rights and remedies provided by law. If it is determined that the Government improperly terminated this contract for default, such termination shall be deemed a termination for convenience.

(n) *Title.* Unless specified elsewhere in this contract, title to items furnished under this contract shall pass to the Government upon acceptance, regardless of when or where the Government takes physical possession.

(o) *Warranty.* The Contractor warrants and implies that the items delivered hereunder are merchantable and fit for use for the particular purpose described in this contract.

(p) *Limitation of liability.* (Tailored) Except as otherwise provided by an express or implied warranty, the Contractor will not be liable to the Government in breach of warranty action for consequential damages resulting from any defect or deficiencies in accepted items.

(q) *Other compliances.* The Contractor shall comply with all applicable Federal, State and local laws, executive orders, rules and regulations applicable to its performance under this contract.

(r) *Compliance with laws unique to Government contracts.* The Contractor agrees to comply with 31 U.S.C. 1352 relating to limitations on the use of appropriated funds to influence certain Federal contracts; 18 U.S.C. 431 relating to officials not to benefit; 40 U.S.C. 3701, *et seq.*,

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52.212-4 Contract Terms and Conditions—Commercial Items (June 2010) (DEVIATION)
(APR 2011) (continued)

Contract Work Hours and Safety Standards Act; 41 U.S.C. 51-58, Anti-Kickback Act of 1986; 41 U.S.C. 265 and 10 U.S.C. 2409 relating to whistleblower protections; 49 U.S.C. 40118, Fly American; and 41 U.S.C. 423 relating to procurement integrity.

(s) *Order of precedence.* Any inconsistencies in this solicitation or contract shall be resolved by giving precedence in the following order:

(1) The schedule of supplies/services.

(2) The Assignments, Disputes, Payments, Invoice, Other Compliances, and Compliance with Laws Unique to Government Contracts paragraphs of this clause.

(3) The clause at 52.212-5.

(4) Addenda to this solicitation or contract, including any license agreements for computer software.

(5) Solicitation provisions if this is a solicitation.

(6) Other paragraphs of this clause.

(7) The Standard Form 1449.

(8) Other documents, exhibits, and attachments.

(9) The specification.

(t) Central Contractor Registration (CCR).

(1) Unless exempted by an addendum to this contract, the Contractor is responsible during performance and through final payment of any contract for the accuracy and completeness of the data within the CCR database, and for any liability resulting from the Government's reliance on inaccurate or incomplete data. To remain registered in the CCR database after the initial registration, the Contractor is required to review and update on an annual basis from the date of initial registration or subsequent updates its information in the CCR database to ensure it is current, accurate and complete. Updating information in the CCR does not alter the terms and conditions of this contract and is not a substitute for a properly executed contractual document.

(2)(i) If a Contractor has legally changed its business name, "doing business as" name, or division name (whichever is shown on the contract), or has transferred the assets used in performing the contract, but has not completed the necessary requirements regarding novation and change-of-name agreements in FAR Subpart 42.12, the Contractor shall provide the responsible Contracting Officer a minimum of one business day's written notification of its intention to

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**52.212-4 Contract Terms and Conditions—Commercial Items (June 2010) (DEVIATION)
(APR 2011) (continued)**

(A) change the name in the CCR database; (B) comply with the requirements of Subpart 42.12; and (C) agree in writing to the timeline and procedures specified by the responsible Contracting Officer.

The Contractor must provide with the notification sufficient documentation to support the legally changed name.

(ii) If the Contractor fails to comply with the requirements of paragraph (t)(2)(i) of this clause, or fails to perform the agreement at paragraph (t)(2)(i)(C) of this clause, and, in the absence of a properly executed novation or change-of-name agreement, the CCR information that shows the Contractor to be other than the Contractor indicated in the contract will be considered to be incorrect information within the meaning of the “Suspension of Payment” paragraph of the electronic funds transfer (EFT) clause of this contract.

(3) The Contractor shall not change the name or address for EFT payments or manual payments, as appropriate, in the CCR record to reflect an assignee for the purpose of assignment of claims (see Subpart 32.8, Assignment of Claims). Assignees shall be separately registered in the CCR database. Information provided to the Contractor’s CCR record that indicates payments, including those made by EFT, to an ultimate recipient other than that Contractor will be considered to be incorrect information within the meaning of the “Suspension of payment” paragraph of the EFT clause of this contract.

(4) Offerors and Contractors may obtain information on registration and annual confirmation requirements via the internet at <http://www.ccr.gov> or by calling 1-888-227-2423 or 269-961-5757.

**ADDENDUM TO FAR 52.212-4 CONTRACT TERMS AND CONDITIONS —
COMMERCIAL ITEMS**

Clauses that are incorporated by reference (by Citation Number, Title, and Date), have the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

The following clauses are incorporated into 52.212-4 as an addendum to this contract:

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AS12 RESTRICTION ON DISCLOSURE AND USE OF DATA (FEBRUARY 1998)

Offerors or quoters who include in their proposals or quotations data that they do not want disclosed to the public for any purpose or used by the Government except for evaluation purposes, shall--

(a) Mark the title page with the following legend:

"This proposal or quotation includes data that shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed -- in whole or in part -- for any purpose other than to evaluate this proposal or quotation. If, however, a contract is awarded to this offeror or quoter as a result of -- or in connection with -- the submission of this data, the Government shall

have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets (insert numbers or other identification of sheets)", and

(b) Mark each sheet of data it wishes to restrict with the following legend:

"Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal or quotation."

AS3002 COST RECOVERY FEE (AUG 1998)

The cost recovery fee is assessed against all purchases made by OGA participants only in the PPV program. The fee is .25% and shall be imbedded in the price of all products purchased by the OGA participants. The PPV shall make the appropriate provisions in the automated order system to include cost recovery fee in the acquisition price field which appears in all order-entry and confirmation modules. The PPV shall forward all fee monies collected, 60 days after the end of each calendar quarter (i.e. October - December, January - March, April - June, July - September) to: Agent Cashier, Department of Veterans Affairs, Service & Distribution Center, Fiscal Division (901A), P.O. Box 7005, Hines, IL 60141. A copy of a sales report shall be included with the remittance. The sales report shall show by total dollars, all sales made to the OGA accounts only and shall be itemized to show the site (station number) level. The remittance shall be made by check or money order, and made payable to Department of Veterans Affairs. The contract number shall be identified on the check or money order. A complete list of all OGA participants that shall be assessed the cost recovery fee will be furnished at the time of award.

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AS3023 – DIVERSION OF PHARMACEUTICAL PRODUCTS (SEP 2010)

(1) Pharmaceutical products ordered under Federal Supply Schedule (FSS) contracts are intended solely for the use of authorized ordering activities in carrying out their governmental missions; they are not intended for resale or barter. Any transfer of FSS contract items that does not serve the ordering activity's defined mission, as well as any transfer for the purpose of generating a profit on the difference between FSS prices and commercial prices (such as "AWP"), is an improper diversion of government supplies.

(2) The Contractor may require an ordering activity that is not listed in the appendices to GSA Adm. Order 4800.2E (and its later revisions) or a pharmaceutical prime vendor ordering on an activity's behalf to demonstrate its eligibility to place FSS orders. The Contractor may also require an authorized ordering activity to disclose the intended use of ordered pharmaceuticals before commencing delivery. The Contractor is not required to fill an FSS order (or that portion of an order) that investigational facts suggest will be diverted into the commercial market or will otherwise be diverted from usage by authorized FSS ordering activities. (An example of such facts might be the tripling of usual ordered quantities by an activity, coupled with its failure to demonstrate a corresponding increase in its institutional size or patient base.) However, the Contractor may not unreasonably delay filling an FSS order, pending its investigation of the intended use of the items ordered. Based on investigational facts that suggest that a pattern of diversion has occurred, a Contractor may elect not to fill indirect orders of an activity through an authorized Government PPV and, instead, to accept only direct orders.

(3) If the Contractor refuses to fill an FSS order because of an expectation that some or all of the orders will be diverted or refuses to continue accepting indirect orders because of a perceived pattern of diversion, Contractor must notify the Schedule contracting officer (CO) of its decision within 48 hours and state the basis for the refusal. The CO may instruct the Contractor to fill an executive-agency-level order and/or resume acceptance of executive agency indirect orders if the CO finds that there is no factual basis for the Contractor's decision. No authorized FSS ordering activity may be suspended from eligibility under the Schedule by any Contractor, except on the written instruction of the Schedule CO issued after: a) full consideration of all evidence of diversion or other improper practices, and b) affording the ordering activity an opportunity to present its position on the claimed abuse of the Schedule. An ordering activity suspended by the Schedule CO may appeal that decision in writing to the VA Deputy Assistant Secretary for Acquisition and Materiel Management, within 30 days of the CO's decision.

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52.204-4 PRINTED or COPIED DOUBLE-SIDED on RECYLED PAPER (AUG 2000)

(a) Definitions. As used in this clause-

"Postconsumer material" means a material or finished product that has served its intended use and has been discarded for disposal or recovery, having completed its life as a consumer item. Postconsumer material is a part of the broader category of "recovered material." For paper and paper products, postconsumer material means "postconsumer fiber" defined by the U.S. Environmental Protection Agency (EPA) as-

(1) Paper, paperboard, and fibrous materials from retail stores, office buildings, homes, etc., after they have passed through their end-usage as a consumer item, including: used corrugated boxes; old newspapers; old magazines; mixed waste paper; tabulating cards; and used cordage; or

(2) All paper, paperboard, and fibrous materials that enter and are collected from municipal solid waste; but not

(3) Fiber derived from printers' over-runs, converters' scrap, and over-issue publications.

"Printed or copied double-sided" means printing or reproducing a document so that information is on both sides of a sheet of paper.

"Recovered material," for paper and paper products, is defined by EPA in its Comprehensive Procurement Guideline as "recovered fiber" and means the following materials:

(1) Postconsumer fiber; and (2) Manufacturing wastes such as-

(i) Dry paper and paperboard waste generated after completion of the papermaking process (that is, those manufacturing operations up to and including the cutting and trimming of the paper machine reel into smaller rolls or rough sheets) including: envelope cuttings, bindery trimmings, and other paper and paperboard waste resulting from printing, cutting, forming, and other converting operations; bag, box, and carton manufacturing wastes; and butt rolls, mill wrappers, and rejected unused stock; and

(ii) Repulped finished paper and paperboard from obsolete inventories of paper and paperboard manufacturers, merchants, wholesalers, dealers, printers, converters, or others.

(b) In accordance with Section 101 of Executive Order 13101 of September 14, 1998, Greening the Government through Waste Prevention, Recycling, and Federal Acquisition, the Contractor is encouraged to submit paper documents, such as offers, letters, or reports, that are printed or copied double-sided on recycled paper that meet minimum content standards specified in Section 505 of Executive Order 13101, when not using electronic commerce methods to submit information or data to the Government.

(c) If the Contractor cannot purchase high-speed copier paper, offset paper, forms bond, computer printout paper, carbonless paper, file folders, white wove envelopes, writing and office paper, book paper, cotton fiber paper, and cover stock meeting the 30 percent Postconsumer material standard for use in submitting paper documents to the Government, it should use paper containing no less than 20 percent Postconsumer material. This lesser standard should be used only when paper meeting the 30 percent Postconsumer material standard is not obtainable at a reasonable price or does not meet reasonable performance standards.

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**52.209-9 UPDATES OF PUBLICLY AVAILABLE INFORMATION REGARDING
RESPONSIBILITY MATTERS (JAN 2011)**

(a) The Contractor shall update the information in the Federal Awardee Performance and Integrity Information System (FAPIIS) on a semi-annual basis, throughout the life of the contract, by posting the required information in the Central Contractor Registration database at <http://www.ccr.gov>.

(b)(1) The Contractor will receive notification when the Government posts new information to the Contractor's record.

(2) The Contractor will have an opportunity to post comments regarding information that has been posted by the Government. The comments will be retained as long as the associated information is retained, i.e., for a total period of 6 years. Contractor comments will remain a part of the record unless the Contractor revises them.

(3)(i) Public requests for system information posted prior to April 15, 2011, will be handled under Freedom of Information Act procedures, including, where appropriate, procedures promulgated under E.O. 12600.

(ii) As required by section 3010 of Public Law 111-212, all information posted in FAPIIS on or after April 15, 2011, except past performance reviews, will be publicly available.

52.216-18 ORDERING. (OCT 1995)

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from 90 days after the award date through the expiration date of final option year exercised.

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.

(c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

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52.216-19 ORDER LIMITATIONS (OCT 1995)

- a. Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than \$50.00, the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.
- b. Maximum order. The Contractor is not obligated to honor -
 - (1) Any order for a single item in excess of \$100,000.00;
 - (2) Any order for a combination of items in excess of One Million Dollars for an individual facility; or \$9,999,999.00 WEEKLY/ or \$39,000,000.00 MONTHLY for CMOPs; or
 - (3) A series of orders from the same ordering office within **one** day that together call for quantities exceeding the limitation in subparagraph (b)(1) or (2) of this section.
- c. If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) of this section.
- d. Notwithstanding paragraphs (b) and (c) of this section, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within **ONE** day after issuance, with written notice stating the Contractors intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

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52.216-21 REQUIREMENTS (OCT 1995)

- a. This is a requirements contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies or services specified in the Schedule are estimates only and are not purchased by this contract. Except as this contract may otherwise provide, if the Government's requirements do not result in orders in the quantities described as "estimated or "maximum" in the Schedule, that fact shall not constitute the basis for an equitable price adjustment.
- b. Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. Subject to any limitations in the Order Limitations clause or elsewhere in this contract, the Contractor shall furnish to the Government all supplies or services specified in the Schedule and called for by orders issued in accordance with the Ordering clause. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.
- c. Except as this contract otherwise provides, the Government shall order from the Contractor all the supplies or services specified in the Schedule that are required to be purchased by the Government activity or activities specified in the Schedule.
- d. The Government is not required to purchase from the Contractor requirements in excess of any limit on total orders under this contract.
- e. If the Government urgently requires delivery of any quantity of an item before the earliest date that the delivery may be specified under this contract, and if the Contractor will not accept an order providing for the accelerated delivery, the Government may acquire the urgently required goods or services from another source.
- f. Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractors and Governments rights and obligations with respect to that order to the same extent as if the order were completed during the contracts effective period; provided, that the Contractor shall not be required to make any deliveries under this contract one day after the contract expires.

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52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)

(a) The Government may extend the term of this contract by written notice to the Contractor within 30 days prior to the expiration date of the contract; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 15 days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option clause.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed four months.

52.232-19 AVAILABILITY OF FUNDS FOR NEXT FISCAL YEAR (APR 1984)

Funds are not presently available for performance under this contract beyond the fiscal year. The Government's obligation for performance of this contract beyond that date is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the Government for any payment may arise for performance under this contract beyond the fiscal year until funds are made available to the Contracting Officer for performance and until the Contractor receives notice of availability, to be confirmed in writing by the Contracting Officer. (Note: The issuance of a funded delivery order under this contract shall serve as notice of the availability of funds for the fiscal year in which the delivery order is issued.

52.242-13 BANKRUPTCY (JUL 1995)

In the event the Contractor enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the Contractor agrees to furnish, by certified mail or electronic commerce method authorized by the contract, written notification of the bankruptcy to the Contracting Officer responsible for administering the contract. This notification shall be furnished within five days of the initiation of the proceedings relating to bankruptcy filing. This notification shall include the date on which the bankruptcy petition was filed, the identity of the court in which the bankruptcy petition was filed, and a listing of Government contract numbers and contracting offices for all Government contracts against which final payment has not been made. This obligation remains in effect until final payment under this contract.

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52.247-34 F.O.B. DESTINATION. (NOV 1991)

(a) The term "f.o.b. destination," as used in this clause, means--

(1) Free of expense to the Government, on board the carriers conveyance, at a specified delivery point where the consignees facility (plant, warehouse, store, lot, or other location to which shipment can be made) is located; and

(2) Supplies shall be delivered to the destination consignees wharf (if destination is a port city and supplies are for export), warehouse unloading platform, or receiving dock, at the expense of the Contractor. The Government shall not be liable for any delivery, storage, demurrage, accessorial, or other charges involved before the actual delivery (or "constructive placement" as defined in carrier tariffs) of the supplies to the destination, unless such charges are caused by an act or order of the Government acting in its contractual capacity. If rail carrier is used, supplies shall be delivered to the specified unloading platform of the consignee. If motor carrier (including "piggyback") is used, supplies shall be delivered to truck tailgate at the unloading platform of the consignee, except when the supplies delivered meet the requirements of Item 568 of the National Motor Freight Classification for "heavy or bulky freight." When supplies meeting the requirements of the referenced Item 568 are delivered, unloading (including movement to the tailgate) shall be performed by the consignee, with assistance from the truck driver, if requested. If the contractor uses rail carrier or freight forwarded for less than carload shipments, the contractor shall ensure that the carrier will furnish tailgate delivery, when required, if transfer to truck is required to complete delivery to consignee.

(b) The Contractor shall--

(1)(i) Pack and mark the shipment to comply with contract specifications; or

(ii) In the absence of specifications, prepare the shipment in conformance with carrier requirements;

(2) Prepare and distribute commercial bills of lading;

(3) Deliver the shipment in good order and condition to the point of delivery specified in the contract;

(4) Be responsible for any loss of and/or damage to the goods occurring before receipt of the shipment by the consignee at the delivery point specified in the contract;

(5) Furnish a delivery schedule and designate the mode of delivering carrier; and

(6) Pay and bear all charges to the specified point of delivery.

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52.247-35 F.O.B. DESTINATION, WITHIN CONSIGNEES PREMISES (APR 1984)

(a) The term "f.o.b. destination, within consignees premises," as used in this clause, means free of expense to the Government delivered and laid down within the doors of the consignees premises, including delivery to specific rooms within a building if so specified.

(b) The Contractor shall--

- (1)(i) Pack and mark the shipment to comply with contract specifications; or
- (ii) In the absence of specifications, prepare the shipment in conformance with carrier requirements;
- (2) Prepare and distribute commercial bills of lading;
- (3) Deliver the shipment in good order and condition to the point of delivery specified in the contract;
- (4) Be responsible for any loss of and/or damage to the goods occurring before receipt of the shipment by the consignee at the delivery point specified in the contract;
- (5) Furnish a delivery schedule and designate the mode of delivering carrier; and
- (6) Pay and bear all charges to the specified point of delivery.

VAAR 852.270-1 REPRESENTATIVES OF CONTRACTING OFFICERS (JAN 2008)

The contracting officer reserves the right to designate representatives to act for him/her in furnishing technical guidance and advice or generally monitor the work to be performed under this contract. Such designation will be in writing and will define the scope and limitation of the designee's authority. A copy of the designation shall be furnished to the contractor.

VAAR 852.203-70 COMMERCIAL ADVERTISING (JAN 2008)

The bidder or offeror agrees that if a contract is awarded to him/her, as a result of this solicitation, he/she will not advertise the award of the contract in his/her commercial advertising in such a manner as to state or imply that the Department of Veterans Affairs endorses a product, project or commercial line of endeavor.

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**VAAR 852.203-71 DISPLAY OF DEPARTMENT OF VETERAN AFFAIRS HOTLINE
POSTER (DEC 1992)**

(a) Except as provided in paragraph (c) below, the Contractor shall display prominently, in common work areas within business segments performing work under VA contracts, Department of Veterans Affairs Hotline posters prepared by the VA Office of Inspector General.

(b) Department of Veterans Affairs Hotline posters may be obtained from the VA Office of Inspector General (53E), P.O. Box 34647, Washington, DC 20043-4647.

(c) The Contractor need not comply with paragraph (a) above if the Contractor has established a mechanism, such as a hotline, by which employees may report suspected instances of improper conduct, and instructions that encourage employees to make such reports.

VAAR 852.273-76 ELECTRONIC INVOICE SUBMISSION (Interim - October 2008)

To improve the timeliness of payments and lower overall administrative costs, VA strongly encourages contractors to submit invoices using its electronic invoicing system. At present, electronic submission is voluntary and any nominal registration fees will be the responsibility of the contractor. VA intends to mandate electronic invoice submission, subject to completion of the federal rulemaking process. At present, VA is using a 3rd party agent to contact contractors regarding this service. During the voluntary period, contractors interested in registering for the electronic system should contact the VA's Financial Services Center at <http://www.fsc.va.gov/einvoice.asp>.

52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://www.acquisition.gov/far/index.html>

<http://www.va.gov/oamm/oa/ars/policyreg/vaar/index.cfm>

52.204-9

PERSONAL IDENTITY VERIFICATION OF
CONTRACTOR PERSONNEL

JAN 2011

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**VAAR 852.252-70 SOLICITATION PROVISIONS OR CLAUSES INCORPORATED
BY REFERENCE (JAN 2008)**

The following provisions or clauses incorporated by reference in this solicitation must be completed by the offeror or prospective contractor and submitted with the quotation or offer. Copies of these provisions or clauses are available on the Internet at the Web sites provided in the provision at FAR 52.252-1, Solicitation Provisions Incorporated by Reference, or the clause at FAR 52.252-2, Clauses Incorporated by Reference. Copies may also be obtained from the contracting officer.

852.246-71

INSPECTION

JAN 2008

(a) The Contractor shall comply with the following Federal Acquisition Regulation (FAR) clauses, which are incorporated in this contract by reference, to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

(1) 52.222-50, Combating Trafficking in Persons (Feb 2009) (22 U.S.C. 7104(g)).

___ Alternate I (Aug 2007) of 52.222-50 (22 U.S.C. 7104(g)).

(2) 52.233-3, Protest After Award (AUG 1996) (31 U.S.C. 3553).

(3) 52.233-4, Applicable Law for Breach of Contract Claim (OCT 2004) (Pub. L. 108-77, 108-78).

(b) The Contractor shall comply with the FAR clauses in this paragraph (b) that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

☒ (1) 52.203-6, Restrictions on Subcontractor Sales to the Government (Sept 2006), with Alternate I (Oct 1995) (41 U.S.C. 253g and 10 U.S.C. 2402).

☒ (2) 52.203-13, Contractor Code of Business Ethics and Conduct (Apr 2010) (Pub. L. 110-252, Title VI, Chapter 1 (41 U.S.C. 251 note)).

___ (3) 52.203-15, Whistleblower Protections under the American Recovery and Reinvestment Act of 2009 (June 2010) (Section 1553 of Pub. L. 111-5). (Applies to contracts funded by the American Recovery and Reinvestment Act of 2009.)

☒ (4) 52.204-10, Reporting Executive Compensation and First-Tier Subcontract Awards (Jul 2010) (Pub. L. 109-282) (31 U.S.C. 6101 note).

___ (5) 52.204-11, American Recovery and Reinvestment Act—Reporting Requirements (Jul 2010) (Pub. L. 111-5).

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**52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT
REQUIRED STATUTES OR EXECUTIVE ORDERS—COMMERCIAL ITEMS (APR
2011) (continued)**

X (6) 52.209-6, Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (DEC 2010) (31 U.S.C. 6101 note). (Applies to contracts over \$30,000). (Not applicable to subcontracts for the acquisition of commercially available off-the-shelf items).

 (7) 52.219-3, Notice of Total HUBZone Set-Aside or Sole-Source Award (Jan 2011) (15 U.S.C. 657a).

*X (8) 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (JAN 2011) (if the offeror elects to waive the preference, it shall so indicate in its offer) (15 U.S.C. 657a).

 (9) [Reserved]

 (10)(i) 52.219-6, Notice of Total Small Business Set-Aside (June 2003) (15 U.S.C. 644).

 (ii) Alternate I (Oct 1995) of 52.219-6.

 (iii) Alternate II (Mar 2004) of 52.219-6.

 (11)(i) 52.219-7, Notice of Partial Small Business Set-Aside (June 2003) (15 U.S.C. 644).

 (ii) Alternate I (Oct 1995) of 52.219-7.

 (iii) Alternate II (Mar 2004) of 52.219-7.

X (12) 52.219-8, Utilization of Small Business Concerns (Jan 2011) (15 U.S.C. 637(d)(2) and (3)).

 (13)(i) 52.219-9, Small Business Subcontracting Plan (Jan 2011) (15 U.S.C. 637(d)(4)).

 (ii) Alternate I (Oct 2001) of 52.219-9.

X (iii) Alternate II (Oct 2001) of 52.219-9.

 (iv) Alternate III (Jul 2010) of 52.219-9.

 (14) 52.219-14, Limitations on Subcontracting (Dec 1996) (15 U.S.C. 637(a)(14)).

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 X (15) 52.219-16, Liquidated Damages—Subcontracting Plan (Jan 1999) (15 U.S.C. 637(d)(4)(F)(i)).

**52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT
REQUIRED STATUTES OR EXECUTIVE ORDERS—COMMERCIAL ITEMS (APR
2011) (continued)**

 (16)(i) 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (OCT 2008) (10 U.S.C. 2323) (if the offeror elects to waive the adjustment, it shall so indicate in its offer).

 (ii) Alternate I (June 2003) of 52.219-23.

 *X (17) 52.219-25, Small Disadvantaged Business Participation Program—Disadvantaged Status and Reporting (Dec 2010) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

 (18) 52.219-26, Small Disadvantaged Business Participation Program—Incentive Subcontracting (Oct 2000) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

 (19) 52.219-27, Notice of Total Service-Disabled Veteran-Owned Small Business Set-Aside (May 2004) (15 U.S.C. 657 f).

 X (20) 52.219-28, Post Award Small Business Program Representation (Apr 2009) (15 U.S.C. 632(a)(2)).

 (21) 52.219-29 Notice of Total Set-Aside for Economically Disadvantaged Women-Owned Small Business (EDWOSB) Concerns (Apr 2011).

 (22) 52.219-30 Notice of Total Set-Aside for Women-Owned Small Business (WOSB) Concerns Eligible Under the WOSB Program (Apr 2011).

 X (23) 52.222-3, Convict Labor (June 2003) (E.O. 11755).

 X (24) 52.222-19, Child Labor—Cooperation with Authorities and Remedies (Jul 2010) (E.O. 13126).

 X (25) 52.222-21, Prohibition of Segregated Facilities (Feb 1999).

 X (26) 52.222-26, Equal Opportunity (Mar 2007) (E.O. 11246).

 X (27) 52.222-35, Equal Opportunity for Veterans (Sep 2010)(38 U.S.C. 4212).

 X (28) 52.222-36, Affirmative Action for Workers with Disabilities (Oct 2010) (29 U.S.C. 793).

 X (29) 52.222-37, Employment Reports on Veterans (SEP 2010) (38 U.S.C. 4212).

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**52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT
REQUIRED STATUTES OR EXECUTIVE ORDERS—COMMERICAL ITEMS (APR
2011) (continued)**

X (30) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (E.O. 13496).

___ (31) 52.222-54, Employment Eligibility Verification (JAN 2009). (Executive Order 12989). (Not applicable to the acquisition of commercially available off-the-shelf items or certain other types of commercial items as prescribed in 22.1803.)

___ (32)(i) 52.223-9, Estimate of Percentage of Recovered Material Content for EPA–Designated Items (May 2008) (42 U.S.C. 6962(c)(3)(A)(ii)). (Not applicable to the acquisition of commercially available off-the-shelf items.)

___ (ii) Alternate I (May 2008) of 52.223-9 (42 U.S.C. 6962(i)(2)(C)). (Not applicable to the acquisition of commercially available off-the-shelf items.)

___ (33) 52.223-15, Energy Efficiency in Energy-Consuming Products (DEC 2007) (42 U.S.C. 8259b).

___ (34)(i) 52.223-16, IEEE 1680 Standard for the Environmental Assessment of Personal Computer Products (DEC 2007) (E.O. 13423).

___ (ii) Alternate I (DEC 2007) of 52.223-16.

X (35) 52.223-18, Contractor Policy to Ban Text Messaging While Driving (SEP 2010) (E.O. 13513).

___ (36) 52.225-1, Buy American Act—Supplies (Feb 2009) (41 U.S.C. 10a-10d).

___ (37)(i) 52.225-3, Buy American Act—Free Trade Agreements—Israeli Trade Act (June 2009) (41 U.S.C. 10a-10d, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note, 19 U.S.C. 3805 note, Pub. L. 108-77, 108-78, 108-286, 108-302, 109-53, 109-169, 109-283, and 110-138).

___ (ii) Alternate I (Jan 2004) of 52.225-3.

___ (iii) Alternate II (Jan 2004) of 52.225-3.

X (38) 52.225-5, Trade Agreements (AUG 2009) (19 U.S.C. 2501, *et seq.*, 19 U.S.C. 3301 note).

X (39) 52.225-13, Restrictions on Certain Foreign Purchases (June 2008) (E.O.'s, proclamations, and statutes administered by the Office of Foreign Assets Control of the Department of the Treasury).

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___ (40) 52.226-4, Notice of Disaster or Emergency Area Set-Aside (Nov 2007) (42 U.S.C. 5150).

___ (41) 52.226-5, Restrictions on Subcontracting Outside Disaster or Emergency Area (Nov 2007) (42 U.S.C. 5150).

___ (42) 52.232-29, Terms for Financing of Purchases of Commercial Items (Feb 2002) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).

___ (43) 52.232-30, Installment Payments for Commercial Items (Oct 1995) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).

___ (44) 52.232-33, Payment by Electronic Funds Transfer—Central Contractor Registration (Oct 2003) (31 U.S.C. 3332).

X (45) 52.232-34, Payment by Electronic Funds Transfer—Other than Central Contractor Registration (May 1999) (31 U.S.C. 3332).

X (46) 52.232-36, Payment by Third Party (Feb 2010) (31 U.S.C. 3332).

___ (47) 52.239-1, Privacy or Security Safeguards (Aug 1996) (5 U.S.C. 552a).

___ (48)(i) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631).

___ (ii) Alternate I (Apr 2003) of 52.247-64.

(c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to commercial services, that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

___ (1) 52.222-41, Service Contract Act of 1965 (Nov 2007) (41 U.S.C. 351, *et seq.*).

___ (2) 52.222-42, Statement of Equivalent Rates for Federal Hires (May 1989) (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*).

___ (3) 52.222-43, Fair Labor Standards Act and Service Contract Act—Price Adjustment (Multiple Year and Option Contracts) (Sep 2009) (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*).

___ (4) 52.222-44, Fair Labor Standards Act and Service Contract Act—Price Adjustment (Sep 2009) (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*).

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**52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT
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___ (5) 52.222-51, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment—Requirements (Nov 2007) (41 351, *et seq.*).

___ (6) 52.222-53, Exemption from Application of the Service Contract Act to Contracts for Certain Services—Requirements (Feb 2009) (41 U.S.C. 351, *et seq.*).

___ (7) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (Mar 2009) (Pub. L. 110-247).

___ (8) 52.237-11, Accepting and Dispensing of \$1 Coin (Sept 2008) (31 U.S.C. 5112(p)(1)).

(d) *Comptroller General Examination of Record*. The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records—Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e)(1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c), and (d) of this clause, the Contractor is not required to flow down any FAR clause, other than those in this paragraph (e)(1) in a subcontract for commercial items. Unless otherwise indicated below, the extent of the flow down shall be as required by the clause—

(i) 52.203-13, Contractor Code of Business Ethics and Conduct (Apr 2010) (Pub. L. 110-252, Title VI, Chapter 1 (41 U.S.C. 251 note)).

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**52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT
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2011) (continued)**

(ii) 52.219-8, Utilization of Small Business Concerns (Dec 2010) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$650,000 (\$1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(iii) [Reserved]

(iv) 52.222-26, Equal Opportunity (Mar 2007) (E.O. 11246).

(v) 52.222-35, Equal Opportunity for Veterans (Sep 2010) (38 U.S.C. 4212).

(vi) 52.222-36, Affirmative Action for Workers with Disabilities (Oct 2010) (29 U.S.C. 793).

(vii) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40.

(viii) 52.222-41, Service Contract Act of 1965 (Nov 2007) (41 U.S.C. 351, *et seq.*).

(ix) 52.222-50, Combating Trafficking in Persons (Feb 2009) (22 U.S.C. 7104(g)).

____ Alternate I (Aug 2007) of 52.222-50 (22 U.S.C. 7104(g)).

(x) 52.222-51, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment-Requirements (Nov 2007) (41 U.S.C. 351, *et seq.*).

(xi) 52.222-53, Exemption from Application of the Service Contract Act to Contracts for Certain Services-Requirements (Feb 2009) (41 U.S.C. 351, *et seq.*).

(xii) 52.222-54, Employment Eligibility Verification (JAN 2009).

(xiii) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (Mar 2009) (Pub. L. 110-247). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.

(xiv) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.

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**52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT
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2011) (continued)**

(2) While not required, the contractor may include in its subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

Alternate I (Feb 2000). As prescribed in 12.301(b)(4)(i), delete paragraph (d) from the basic clause, redesignate paragraph (e) as paragraph (d), and revise the reference to “paragraphs (a), (b), (c), or (d) of this clause” in the redesignated paragraph (d) to read “paragraphs (a), (b), and (c) of this clause.”

Alternate II (Dec 2010). As prescribed in 12.301(b)(4)(ii), substitute the following paragraphs (d)(1) and (e)(1) for paragraphs (d)(1) and (e)(1) of the basic clause as follows:

(d)(1) The Comptroller General of the United States, an appropriate Inspector General appointed under section 3 or 8G of the Inspector General Act of 1978 (5 U.S.C. App.), or an authorized representative of either of the foregoing officials shall have access to and right to—

(i) Examine any of the Contractor’s or any subcontractors’ records that pertain to, and involve transactions relating to, this contract; and

(ii) Interview any officer or employee regarding such transactions.

(e)(1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), and (c), of this clause, the Contractor is not required to flow down any FAR clause in a subcontract for commercial items, other than—

(i) *Paragraph (d) of this clause.* This paragraph flows down to all subcontracts, except the authority of the Inspector General under paragraph (d)(1)(ii) does not flow down; and

(ii) *Those clauses listed in this paragraph (e)(1).* Unless otherwise indicated below, the extent of the flow down shall be as required by the clause—

(A) 52.203-13, Contractor Code of Business Ethics and Conduct (Apr 2010) (Pub. L. 110-252, Title VI, Chapter 1 (41 U.S.C. 251 note)).

(B) 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (June 2010) (Section 1553 of Pub. L. 111-5).

(C) 52.219-8, Utilization of Small Business Concerns (Dec 2010) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$650,000 (\$1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

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**52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT
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(APR 2011) (continued)**

- (D) 52.222-26, Equal Opportunity (Mar 2007) (E.O. 11246).
- (E) 52.222-35, Equal Opportunity for Veterans (Sep 2010) (38 U.S.C. 4212).
- (F) 52.222-36, Affirmative Action for Workers with Disabilities (Oct 2010) (29 U.S.C. 793).
- (G) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40.
- (H) 52.222-41, Service Contract Act of 1965 (Nov 2007) (41 U.S.C. 351, *et seq.*).
- (I) 52.222-50, Combating Trafficking in Persons (Feb 2009) (22 U.S.C. 7104(g)).
- (J) 52.222-51, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment—Requirements (Nov 2007) (41 U.S.C. 351, *et seq.*).
- (K) 52.222-53, Exemption from Application of the Service Contract Act to Contracts for Certain Services—Requirements (Feb 2009) (41 U.S.C. 351, *et seq.*).
- (L) 52.222-54, Employment Eligibility Verification (Jan 2009).
- (M) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations. (Mar 2009) (Pub. L. 110-247). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.
- (N) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause

MANDATORY WRITTEN DISCLOSURES

Mandatory written disclosures required by FAR clause 52.203-13 to the Department of Veterans Affairs, Office of Inspector General (OIG) must be made electronically through the VA OIG Hotline at <http://www.va.gov/oig/contacts/hotline.asp> and clicking on "FAR clause 52.203-13 Reporting." If you experience difficulty accessing the website, call the Hotline at 1-800-488-8244 for further instructions.

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52.232-19 AVAILABILITY OF FUNDS FOR THE NEXT FISCAL YEAR

Funds are not presently available for performance under this contract beyond the fiscal year. The Government's obligation for performance of this contract beyond that date is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the Government for any payment may arise for performance under this contract beyond the fiscal year, until funds are made available to the Contracting Officer for performance and until the Contractor receives notice of availability, to be confirmed in writing by the Contracting Officer.

AS1108 CONTACT FOR CONTRACT ADMINISTRATION (MAY 1992)

Offerors are requested to designate a person to be contacted for prompt contract administration.

NAME: Paul Flach

TITLE: VP, McKesson Health Systems Government and National Accounts

ADDRESS: 1220 Senlac Drive CITY/STATE/ZIP Carrollton, TX 75066

TELEPHONE NO.: 972-446-4947 EXT. _____ FAX NO.: 972-446-5795

E-MAIL: paul.flach@mckesson.com

AS1502 CONTACT FOR CONTRACT PRICING (AUG 1998)

Offerors are also requested to designate a person(s) responsible for ensuring product pricing.

NAME: Kathie West

TITLE: Account Lead, Contract Administration

ADDRESS: 1220 Senlac Drive

CITY/STATE: Carrollton, TX 75066

ZIP CODE: 75066

TELEPHONE NO: 972-389-5926 EXT: _____

FAX NO: 972-446-5795

E-MAIL: kathie.west@mckesson.com

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AS1526 AUTHORIZED NEGOTIATORS (JAN 1998)

The offeror or quoter represents that the following persons are authorized to negotiate on its behalf with the Government in connection with this request for proposals or quotations: (list names, titles, and telephone numbers of the authorized negotiators)

Paul Flach, VP, McKesson Health Systems, Govt. and National Accounts

Scott Miller, Senior VP, McKesson Health Systems, National Accounts

52.214-34 SUBMISSION OF OFFERS IN THE ENGLISH LANGUAGE (APR 1991)

Offers submitted in response to this solicitation shall be in the English language. Offers received in other than English shall be rejected.

52.214-35 SUBMISSION OF OFFERS IN U.S. CURRENCY (APR 1991)

Offers submitted in response to this solicitation shall be in terms of U.S. dollars. Offers received in other than U.S. dollars shall be rejected.

**52.222-24 PREAWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE
EVALUATION (FEB 1999)**

If a contract in the amount of \$10 million or more will result from this solicitation, the prospective Contractor and its known first-tier subcontractors with anticipated subcontracts of \$10 million or more shall be subject to a preaward compliance evaluation by the Office of Federal Contract Compliance Programs (OFCCP), unless, within the preceding 24 months, OFCCP has conducted an evaluation and found the prospective Contractor and subcontractors to be in compliance with Executive Order 11246.

52.233-2 SERVICE OF PROTEST (AUG 1996)

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from

VA National Acquisition Center
Prime Vendor Distribution & Direct Delivery Division (049A1N2PV)
1st Avenue, One Block North of Cermak Road, Bldg. 37
P.O. Box 76
Hines, IL 60141

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

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VAAR 852.233-70 PROTEST CONTENT/ALTERNATIVE DISPUTE RESOLUTION
(JAN 2008)

(a) Any protest filed by an interested party shall:

- (1) Include the name, address, fax number, and telephone number of the protester;
- (2) Identify the solicitation and/or contract number;
- (3) Include an original signed by the protester or the protester's representative and at least one copy;
- (4) Set forth a detailed statement of the legal and factual grounds of the protest, including a description of resulting prejudice to the protester, and provide copies of relevant documents;
- (5) Specifically request a ruling of the individual upon whom the protest is served;
- (6) State the form of relief requested; and
- (7) Provide all information establishing the timeliness of the protest.

(b) Failure to comply with the above may result in dismissal of the protest without further consideration.

(c) Bidders/offerors and contracting officers are encouraged to use alternative dispute resolution (ADR) procedures to resolve protests at any stage in the protest process. If ADR is used, the Department of Veterans Affairs will not furnish any documentation in an ADR proceeding beyond what is allowed by the Federal Acquisition Regulation.

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VAAR 852.233-71 ALTERNATE PROTEST PROCEDURE (JAN 1998)

As an alternative to filing a protest with the contracting officer, an interested party may file a protest with the Deputy Assistant Secretary for Acquisition and Materiel Management, Acquisition Administration Team, Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, or for solicitations issued by the Office of Construction and Facilities Management, the Director, Office of Construction and Facilities Management, 810 Vermont Avenue, NW., Washington, DC 20420. The protest will not be considered if the interested party has a protest on the same or similar issues pending with the contracting officer.

PLEASE NOTE: The correct mailing information for filing alternate protests is as follows:

Deputy Assistant Secretary for Acquisition and Logistics,
Risk Management Team, Department of Veterans Affairs
810 Vermont Avenue, N.W.
Washington, DC 20420

Or for solicitations issued by the Office of Construction and Facilities Management:

Director, Office of Construction and Facilities Management
811 Vermont Avenue, N.W.
Washington, DC 20420

52.209-7 INFORMATION REGARDING RESPONSIBILITY MATTERS (JAN 2011)

(a) Definitions. As used in this provision--

"Administrative proceeding" means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (e.g., Securities and Exchange Commission Administrative Proceedings, Civilian Board of Contract Appeals Proceedings, and Armed Services Board of Contract Appeals Proceedings). This includes administrative proceedings at the Federal and State level but only in connection with performance of a Federal contract or grant. It does not include agency actions such as contract audits, site visits, corrective plans, or inspection of deliverables.

"Federal contracts and grants with total value greater than \$10,000,000" means--

(1) The total value of all current, active contracts and grants, including all priced options; and

(2) The total value of all current, active orders including all priced options under indefinite-delivery, indefinite-quantity, 8(a), or requirements contracts (including task and delivery and multiple-award Schedules).

"Principal" means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a division or business segment; and similar positions).

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52.209-7 INFORMATION REGARDING RESPONSIBILITY MATTERS (JAN 2011)
(continued)

(b) The offeror [X] has [] does not have current active Federal contracts and grants with total value greater than \$10,000,000

(c) If the offeror checked "has" in paragraph (b) of this provision, the offeror represents, by submission of this offer, that the information it has entered in the Federal Awardee Performance and Integrity Information System (FAPIS) is current, accurate, and complete as of the date of submission of this offer with regard to the following information:

(1) Whether the offeror, and/or any of its principals, has or has not, within the last five years, in connection with the award to or performance by the offeror of a Federal contract or grant, been the subject of a proceeding, at the Federal or State level that resulted in any of the following dispositions:

(i) In a criminal proceeding, a conviction.

(ii) In a civil proceeding, a finding of fault and liability that results in the payment of a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more.

(iii) In an administrative proceeding, a finding of fault and liability that results in--

(A) The payment of a monetary fine or penalty of \$5,000 or more; or

(B) The payment of a reimbursement, restitution, or damages in excess of \$100,000.

(iv) In a criminal, civil, or administrative proceeding, a disposition of the matter by consent or compromise with an acknowledgment of fault by the Contractor if the proceeding could have led to any of the outcomes specified in paragraphs (c)(1)(i), (c)(1)(ii), or (c)(1)(iii) of this provision.

(2) If the offeror has been involved in the last five years in any of the occurrences listed in (c)(1) of this provision, whether the offeror has provided the requested information with regard to each occurrence.

(d) The offeror shall post the information in paragraphs (c)(1)(i) through (c)(1)(iv) of this provision in FAPIS as required through maintaining an active registration in the Central Contractor Registration database at <http://www.ccr.gov> (see 52.204-7).

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VAAR 852-219-9 VA SMALL BUSINESS SUBCONTRACTING PLAN MINIMUM REQUIREMENTS (DEC 2009)

(a) This clause does not apply to small business concerns

(b) If the offeror is required to submit a individual subcontracting plan, the minimum goals for award of subcontracts to service-disabled veteran-owned small business concerns and veteran-owned small business concerns shall be at least commensurate with the Department's annual service-disabled veteran-owned small business and veteran-owned small business prime contracting goals for the total dollars planned to be subcontracted.

(c) For a commercial plan, the minimum goals for award of subcontracts to service-disabled veteran-owned small business concerns and veteran-owned small businesses shall be at least commensurate with the Department's annual service-disabled veteran-owned small business and veteran-owned small business prime contracting goals for the total value of projected subcontracts to support the sales for the commercial plan.

(d) To be credited toward goal achievements, businesses must be verified as eligible in the Vendor Information Pages database. The contractor shall annually submit a listing of service-disabled veteran-owned small businesses and veteran-owned small businesses for which credit toward goal achievement is to be applied for the review of personnel in the Office of Small and Disadvantaged Business Utilization.

(e) The contractor may appeal any businesses determined not eligible for crediting toward goal achievements by following the procedures contained in 819-407.

VAAR 852.219-71 VA MENTOR-PROTÉGÉ PROGRAM (DEC 2009)

(a) Large businesses are encouraged to participate in the VA Mentor-Protégé Program for the purpose of providing developmental assistance to eligible service-disabled veteran-owned small businesses and veteran-owned small businesses to enhance the small businesses' capabilities and increase their participation as VA prime contractors and as subcontractors.

(b) The program consists of:

(1) Mentor firms, which are contractors capable of providing developmental assistance;

(2) Protégé firms, which are service-disabled veteran-owned small business concerns or veteran-owned small business concerns; and

(3) Mentor-Protégé Agreements approved by the VA Office of Small and Disadvantaged Business Utilization.

(c) Mentor participation in the program means providing business developmental assistance to aid protégés in developing the requisite expertise to effectively compete for and successfully perform VA prime contracts and subcontracts.

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VAAR 852.219-71 VA MENTOR-PROTÉGÉ PROGRAM (DEC 2009)

(d) Large business prime contractors serving as mentors in the VA Mentor-Protégé Program are eligible for an incentive for subcontracting plan credit. VA will recognize the costs incurred by a mentor firm in providing assistance to a protégé firm and apply those costs for purposes of determining whether the mentor firm attains its subcontracting plan participation goals under a VA contract. The amount of credit given to a mentor firm for these protégé developmental assistance costs shall be calculated on a dollar-for-dollar basis and reported by the large business prime contractor via the Electronic Subcontracting Reporting System (eSRS).

(e) Contractors interested in participating in the program are encouraged to contact the VA Office of Small and Disadvantaged Business Utilization for more information.

52.212-3 OFFEROR REPRESENTATIONS AND CERTIFICATIONS—COMMERCIAL ITEMS) (APR 2011)

An offeror shall complete only paragraph (b) of this provision if the offeror has completed the annual representations and certifications electronically at <http://orca.bpn.gov>. If an offeror has not completed the annual representations and certifications electronically at the ORCA website, the offeror shall complete only paragraphs (c) through (o) of this provision.

(a) *Definitions.* As used in this provision—

“Economically disadvantaged women-owned small business (EDWOSB) concern” means a small business concern that is at least 51 percent directly and unconditionally owned by, and the management and daily business operations of which are controlled by, one or more women who are citizens of the United States and who are economically disadvantaged in accordance with 13 CFR part 127. It automatically qualifies as a women-owned small business eligible under the WOSB Program.

“Forced or indentured child labor” means all work or service—

(1) Exacted from any person under the age of 18 under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily; or

(2) Performed by any person under the age of 18 pursuant to a contract the enforcement of which can be accomplished by process or penalties.

“Inverted domestic corporation” means a foreign incorporated entity which is treated as an inverted domestic corporation under 6 U.S.C. 395(b), *i.e.*, a corporation that used to be incorporated in the United States, or used to be a partnership in the United States, but now is incorporated in a foreign country, or is a subsidiary whose parent corporation is incorporated in a foreign country, that meets the criteria specified in 6 U.S.C. 395(b), applied in accordance with the rules and definitions of 6 U.S.C. 395(c).

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“Manufactured end product” means any end product in Federal Supply Classes (FSC) 1000-9999, except—

- (1) FSC 5510, Lumber and Related Basic Wood Materials;
- (2) Federal Supply Group (FSG) 87, Agricultural Supplies;
- (3) FSG 88, Live Animals;
- (4) FSG 89, Food and Related Consumables;
- (5) FSC 9410, Crude Grades of Plant Materials;
- (6) FSC 9430, Miscellaneous Crude Animal Products, Inedible;
- (7) FSC 9440, Miscellaneous Crude Agricultural and Forestry Products;
- (8) FSC 9610, Ores;
- (9) FSC 9620, Minerals, Natural and Synthetic; and
- (10) FSC 9630, Additive Metal Materials.

“Place of manufacture” means the place where an end product is assembled out of components, or otherwise made or processed from raw materials into the finished product that is to be provided

to the Government. If a product is disassembled and reassembled, the place of reassembly is not the place of manufacture.

“Restricted business operations” means business operations in Sudan that include power production activities, mineral extraction activities, oil-related activities, or the production of military equipment, as those terms are defined in the Sudan Accountability and Divestment Act of 2007 (Pub. L. 110-174). Restricted business operations do not include business operations that the person (as that term is defined in Section 2 of the Sudan Accountability and Divestment Act of 2007) conducting the business can demonstrate—

- (1) Are conducted under contract directly and exclusively with the regional government of southern Sudan;
- (2) Are conducted pursuant to specific authorization from the Office of Foreign Assets Control in the Department of the Treasury, or are expressly exempted under Federal law from the requirement to be conducted under such authorization;
- (3) Consist of providing goods or services to marginalized populations of Sudan;
- (4) Consist of providing goods or services to an internationally recognized peacekeeping force or humanitarian organization;

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(5) Consist of providing goods or services that are used only to promote health or education;
or

(6) Have been voluntarily suspended.

“Service-disabled veteran-owned small business concern”—

(1) Means a small business concern—

(i) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and

(ii) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a service-disabled veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

(2) Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16).

“Small business concern” means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR Part 121 and size standards in this solicitation.

“Veteran-owned small business concern” means a small business concern—

(1) Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and

(2) The management and daily business operations of which are controlled by one or more veterans.

“Women-owned business concern” means a concern which is at least 51 percent owned by one or more women; or in the case of any publicly owned business, at least 51 percent of its stock is owned by one or more women; and whose management and daily business operations are controlled by one or more women.

“Women-owned small business concern” means a small business concern—

(1) That is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

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(2) Whose management and daily business operations are controlled by one or more women.

“Women-owned small business (WOSB) concern eligible under the WOSB Program” (in accordance with 13 CFR part 127), means a small business concern that is at least 51 percent directly and unconditionally owned by, and the management and daily business operations of which are controlled by, one or more women who are citizens of the United States.

(b)(1) *Annual Representations and Certifications.* Any changes provided by the offeror in paragraph (b)(2) of this provision do not automatically change the representations and certifications posted on the Online Representations and Certifications Application (ORCA) website.

(2) The offeror has completed the annual representations and certifications electronically via the ORCA website at <http://orca.bpn.gov>. After reviewing the ORCA database information, the offeror verifies by submission of this offer that the representations and certifications currently posted electronically at FAR 52.212-3, Offeror Representations and Certifications—Commercial Items, have been entered or updated in the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), as of the date of this offer and are incorporated in this offer by reference (see FAR 4.1201), except for paragraphs _____.

[Offeror to identify the applicable paragraphs at (c) through (o) of this provision that the offeror has completed for the purposes of this solicitation only, if any.

These amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer.

Any changes provided by the offeror are applicable to this solicitation only, and do not result in an update to the representations and certifications posted on ORCA.]

(c) Offerors must complete the following representations when the resulting contract will be performed in the United States or its outlying areas. Check all that apply.

(1) *Small business concern.* The offeror represents as part of its offer that it ☐ is, ☐ is not a small business concern.

(2) *Veteran-owned small business concern.* *[Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.]* The offeror represents as part of its offer that it ☐ is, ☐ is not a veteran-owned small business concern.

(3) *Service-disabled veteran-owned small business concern.* *[Complete only if the offeror represented itself as a veteran-owned small business concern in paragraph (c)(2) of this provision.]* The offeror represents as part of its offer that it ☐ is, ☐ is not a service-disabled veteran-owned small business concern.

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(4) *Small disadvantaged business concern.* [Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.] The offeror represents, for general statistical purposes, that it ☐ is, ☐ is not a small disadvantaged business concern as defined in 13 CFR 124.1002.

(5) *Women-owned small business concern.* [Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.] The offeror represents that it ☐ is, ☐ is not a women-owned small business concern.

Note: Complete paragraphs (c)(8) and (c)(9) only if this solicitation is expected to exceed the simplified acquisition threshold.

(6) *WOSB concern eligible under the WOSB Program.* [Complete only if the offeror represented itself as a women-owned small business concern in paragraph (c)(5) of this provision.] The offeror represents that—

(i) It ☐ is, ☐ is not a WOSB concern eligible under the WOSB Program, has provided all the required documents to the WOSB Repository, and no change in circumstances or adverse decisions have been issued that affects its eligibility; and

(ii) It ☐ is, ☐ is not a joint venture that complies with the requirements of 13 CFR part 127, and the representation in paragraph (c)(6)(i) of this provision is accurate in reference to the WOSB concern or concerns that are participating in the joint venture. [The offeror shall enter the name or names of the WOSB concern or concerns that are participating in the joint venture: _____.] Each WOSB concern participating in the joint venture shall submit a separate signed copy of the WOSB representation.

(7) *Economically disadvantaged women-owned small business (EDWOSB) concern.* [Complete only if the offeror represented itself as a WOSB concern eligible under the WOSB Program in (c)(6) of this provision.] The offeror represents that—

(i) It ☐ is, ☐ is not an EDWOSB concern eligible under the WOSB Program, has provided all the required documents to the WOSB Repository, and no change in circumstances or adverse decisions have been issued that affects its eligibility; and

(ii) It ☐ is, ☐ is not a joint venture that complies with the requirements of 13 CFR part 127, and the representation in paragraph (c)(7)(ii) of this provision is accurate in reference to the EDWOSB concern or concerns that are participating in the joint venture. The offeror shall enter the name or names of the EDWOSB concern or concerns that are participating in the joint venture: _____. Each EDWOSB concern participating in the joint venture shall submit a separate signed copy of the EDWOSB representation.

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(8) *Women-owned business concern (other than small business concern).* [Complete only if the offeror is a women-owned business concern and did not represent itself as a small business concern in paragraph (c)(1) of this provision.] The offeror represents that it is a women-owned business concern.

(9) *Tie bid priority for labor surplus area concerns.* If this is an invitation for bid, small business offerors may identify the labor surplus areas in which costs to be incurred on account of manufacturing or production (by offeror or first-tier subcontractors) amount to more than 50 percent of the contract price: _____

(10) [Complete only if the solicitation contains the clause at FAR 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns, or FAR 52.219-25, Small Disadvantaged Business Participation Program—Disadvantaged Status and Reporting, and the offeror desires a benefit based on its disadvantaged status.]

(i) *General.* The offeror represents that either—

(A) It [] is, [] is not certified by the Small Business Administration as a small disadvantaged business concern and identified, on the date of this representation, as a certified small disadvantaged business concern in the CCR Dynamic Small Business Search database maintained by the Small Business Administration, and that no material change in disadvantaged

ownership and control has occurred since its certification, and, where the concern is owned by one or more individuals claiming disadvantaged status, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); or

(B) It [] has, [] has not submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control has occurred since its application was submitted.

(ii) *Joint Ventures under the Price Evaluation Adjustment for Small Disadvantaged Business Concerns.* The offeror represents, as part of its offer, that it is a joint venture that complies with the requirements in 13 CFR 124.1002(f) and that the representation in paragraph (c)(10)(i) of this provision is accurate for the small disadvantaged business concern that is participating in the joint venture. [The offeror shall enter the name of the small disadvantaged business concern that is participating in the joint venture: _____.]

(11) *HUBZone small business concern.* [Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.] The offeror represents, as part of its offer, that—

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(i) It [] is, [] is not a HUBZone small business concern listed, on the date of this representation, on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration, and no material changes in ownership and control, principal office, or HUBZone employee percentage have occurred since it was certified in accordance with 13 CFR Part 126; and

(ii) It [] is, [] is not a HUBZone joint venture that complies with the requirements of 13 CFR Part 126, and the representation in paragraph (c)(11)(i) of this provision is accurate for each HUBZone small business concern participating in the HUBZone joint venture. [The offeror shall enter the names of each of the HUBZone small business concerns participating in the HUBZone joint venture: _____.] Each HUBZone small business concern participating in the HUBZone joint venture shall submit a separate signed copy of the HUBZone representation.

(d) Representations required to implement provisions of Executive Order 11246—

(1) Previous contracts and compliance. The offeror represents that—

(i) It [] has, [] has not participated in a previous contract or subcontract subject to the Equal Opportunity clause of this solicitation; and

(ii) It [] has, [] has not filed all required compliance reports.

(2) *Affirmative Action Compliance*. The offeror represents that—

(i) It [] has developed and has on file, [] has not developed and does not have on file, at each establishment, affirmative action programs required by rules and regulations of the Secretary of Labor (41 cfr parts 60-1 and 60-2), or

(ii) It [] has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

(e) *Certification Regarding Payments to Influence Federal Transactions* (31 U.S.C. 1352). (Applies only if the contract is expected to exceed \$150,000.) By submission of its offer, the offeror certifies to the best of its knowledge and belief that no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress on his or her behalf in connection with the award of any resultant contract. If any registrants under the Lobbying Disclosure Act of 1995 have made a lobbying contact on behalf of the offeror with respect to this contract, the offeror shall complete and submit, with its offer, OMB Standard Form LLL, Disclosure of Lobbying Activities, to provide the name of the registrants. The offeror need not report regularly employed officers or employees of the offeror to whom payments of reasonable compensation were made.

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(f) *Buy American Act Certificate*. (Applies only if the clause at Federal Acquisition Regulation (FAR) 52.225-1, Buy American Act—Supplies, is included in this solicitation.)

(1) The offeror certifies that each end product, except those listed in paragraph (f)(2) of this provision, is a domestic end product and that for other than COTS items, the offeror has considered components of unknown origin to have been mined, produced, or manufactured outside the United States. The offeror shall list as foreign end products those end products manufactured in the United States that do not qualify as domestic end products, *i.e.*, an end product that is not a COTS item and does not meet the component test in paragraph (2) of the definition of “domestic end product.” The terms “commercially available off-the-shelf (COTS) item” “component,” “domestic end product,” “end product,” “foreign end product,” and “United States” are defined in the clause of this solicitation entitled “Buy American Act—Supplies.”

(2) Foreign End Products:

Line Item No.	Country of Origin
_____	_____
_____	_____
_____	_____

[List as necessary]

(3) The Government will evaluate offers in accordance with the policies and procedures of FAR Part 25.

(g)(1) *Buy American Act—Free Trade Agreements—Israeli Trade Act Certificate*. (Applies only if the clause at FAR 52.225-3, Buy American Act—Free Trade Agreements—Israeli Trade Act, is included in this solicitation.)

(i) The offeror certifies that each end product, except those listed in paragraph (g)(1)(ii) or (g)(1)(iii) of this provision, is a domestic end product and that for other than COTS items, the offeror has considered components of unknown origin to have been mined, produced, or manufactured outside the United States. The terms “Bahrainian, Moroccan, Omani, or Peruvian end product,” “commercially available off-the-shelf (COTS) item,” “component,” “domestic end product,” “end product,” “foreign end product,” “Free Trade Agreement country,” “Free Trade Agreement country end product,” “Israeli end product,” and “United States” are defined in the clause of this solicitation entitled “Buy American Act—Free Trade Agreements—Israeli Trade Act.”

(ii) The offeror certifies that the following supplies are Free Trade Agreement country end products (other than Bahrainian, Moroccan, Omani, or Peruvian end products) or Israeli end

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products as defined in the clause of this solicitation entitled “Buy American Act—Free Trade Agreements—Israeli Trade Act”:

Free Trade Agreement Country End Products (Other than Bahrainian, Moroccan, Omani, or Peruvian End Products) or Israeli End Products:

Line Item No. Country of Origin

(iii) The offeror shall list those supplies that are foreign end products (other than those listed in paragraph (g)(1)(ii) of this provision) as defined in the clause of this solicitation entitled “Buy American Act—Free Trade Agreements—Israeli Trade Act.” The offeror shall list as other foreign end products those end products manufactured in the United States that do not qualify as domestic end products, *i.e.*, an end product that is not a COTS item and does not meet the component test in paragraph (2) of the definition of “domestic end product.”

Other Foreign End Products:

Line Item No. Country of Origin

[List as necessary]

(iv) The Government will evaluate offers in accordance with the policies and procedures of FAR Part 25.

(2) *Buy American Act—Free Trade Agreements—Israeli Trade Act Certificate, Alternate I.* If Alternate I to the clause at FAR 52.225-3 is included in this solicitation, substitute the following paragraph (g)(1)(ii) for paragraph (g)(1)(ii) of the basic provision:

(g)(1)(ii) The offeror certifies that the following supplies are Canadian end products as defined in the clause of this solicitation entitled “Buy American Act—Free Trade Agreements—Israeli Trade Act”:

Canadian End Products:

Line Item No.

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(3) *Buy American Act—Free Trade Agreements—Israeli Trade Act Certificate, Alternate II.* If Alternate II to the clause at FAR 52.225-3 is included in this solicitation, substitute the following paragraph (g)(1)(ii) for paragraph (g)(1)(ii) of the basic provision:

(g)(1)(ii) The offeror certifies that the following supplies are Canadian end products or Israeli end products as defined in the clause of this solicitation entitled “Buy American Act—Free Trade Agreements—Israeli Trade Act”:

Canadian or Israeli End Products:

Line Item No.	Country of Origin

[List as necessary]

(4) *Trade Agreements Certificate.* (Applies only if the clause at FAR 52.225-5, Trade Agreements, is included in this solicitation.)

(i) The offeror certifies that each end product, except those listed in paragraph (g)(4)(ii) of this provision, is a U.S.-made or designated country end product, as defined in the clause of this solicitation entitled “Trade Agreements.”

(ii) The offeror shall list as other end products those end products that are not U.S.-made or designated country end products.

Other End Products:

Line Item No.	Country of Origin

[List as necessary]

(iii) The Government will evaluate offers in accordance with the policies and procedures of FAR Part 25. For line items covered by the WTO GPA, the Government will evaluate offers of U.S.-made or designated country end products without regard to the restrictions of the Buy American Act. The Government will consider for award only offers of U.S.-made or designated

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country end products unless the Contracting Officer determines that there are no offers for such products or that the offers for such products are insufficient to fulfill the requirements of the solicitation.

(h) *Certification Regarding Responsibility Matters (Executive Order 12689)*. (Applies only if the contract value is expected to exceed the simplified acquisition threshold.) The offeror certifies, to the best of its knowledge and belief, that the offeror and/or any of its principals—

(1) ☐ Are, ☐ are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(2) ☐ Have, ☐ have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, state or local government contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating Federal criminal tax laws, or receiving stolen property;

(3) ☐ Are, ☐ are not presently indicted for, or otherwise criminally or civilly charged by a Government entity with, commission of any of these offenses enumerated in paragraph (h)(2) of this clause; and

(4) ☐ Have, ☐ have not, within a three-year period preceding this offer, been notified of any delinquent Federal taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied.

(i) Taxes are considered delinquent if both of the following criteria apply:

(A) *The tax liability is finally determined.* The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge to the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.

(B) *The taxpayer is delinquent in making payment.* A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.

(ii) *Examples.*

(A) The taxpayer has received a statutory notice of deficiency, under I.R.C. §6212, which entitles the taxpayer to seek Tax Court review of a proposed tax deficiency. This is not a delinquent tax because it is not a final tax liability. Should the taxpayer seek Tax Court review, this will not be a final tax liability until the taxpayer has exercised all judicial appeal rights.

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(B) The IRS has filed a notice of Federal tax lien with respect to an assessed tax liability, and the taxpayer has been issued a notice under I.R.C. §6320 entitling the taxpayer to request a

hearing with the IRS Office of Appeals contesting the lien filing, and to further appeal to the Tax Court if the IRS determines to sustain the lien filing. In the course of the hearing, the taxpayer is entitled to contest the underlying tax liability because the taxpayer has had no prior opportunity to contest the liability. This is not a delinquent tax because it is not a final tax liability. Should the taxpayer seek tax court review, this will not be a final tax liability until the taxpayer has exercised all judicial appeal rights.

(C) The taxpayer has entered into an installment agreement pursuant to I.R.C. §6159. The taxpayer is making timely payments and is in full compliance with the agreement terms. The taxpayer is not delinquent because the taxpayer is not currently required to make full payment.

(D) The taxpayer has filed for bankruptcy protection. The taxpayer is not delinquent because enforced collection action is stayed under 11 U.S.C. §362 (the Bankruptcy Code).

(i) Certification Regarding Knowledge of Child Labor for *Listed End Products (Executive Order 13126)*. [The Contracting Officer must list in paragraph (i)(1) any end products being acquired under this solicitation that are included in the List of Products Requiring Contractor Certification as to Forced or Indentured Child Labor, unless excluded at 22.1503(b).]

(1) *Listed end products.*

Listed End Product

(2) *Certification.* [If the Contracting Officer has identified end products and countries of origin in paragraph (i)(1) of this provision, then the offeror must certify to either (i)(2)(i) or (i)(2)(ii) by checking the appropriate block.]

☐ (i) The offeror will not supply any end product listed in paragraph (i)(1) of this provision that was mined, produced, or manufactured in the corresponding country as listed for that product.

☐ (ii) The offeror may supply an end product listed in paragraph (i)(1) of this provision that was mined, produced, or manufactured in the corresponding country as listed for that product. The offeror certifies that it has made a good faith effort to determine whether forced or indentured child labor was used to mine, produce, or manufacture any such end product furnished under this contract. On the basis of those efforts, the offeror certifies that it is not aware of any such use of child labor.

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(j) *Place of manufacture.* (Does not apply unless the solicitation is predominantly for the acquisition of manufactured end products.) For statistical purposes only, the offeror shall indicate whether the place of manufacture of the end products it expects to provide in response to this solicitation is predominantly—

(1) ☐ In the United States (Check this box if the total anticipated price of offered end products manufactured in the United States exceeds the total anticipated price of offered end products manufactured outside the United States); or

(2) ☐ Outside the United States.

(k) *Certificates regarding exemptions from the application of the Service Contract Act.* (Certification by the offeror as to its compliance with respect to the contract also constitutes its certification as to compliance by its subcontractor if it subcontracts out the exempt services.) [The contracting officer is to check a box to indicate if paragraph (k)(1) or (k)(2) applies.]

☐ (1) Maintenance, calibration, or repair of certain equipment as described in FAR 22.1003-4(c)(1). The offeror ☐ does ☐ does not certify that—

(i) The items of equipment to be serviced under this contract are used regularly for other than Governmental purposes and are sold or traded by the offeror (or subcontractor in the case of an exempt subcontract) in substantial quantities to the general public in the course of normal business operations;

(ii) The services will be furnished at prices which are, or are based on, established catalog or market prices (see FAR 22.1003-4(c)(2)(ii)) for the maintenance, calibration, or repair of such equipment; and

(iii) The compensation (wage and fringe benefits) plan for all service employees performing work under the contract will be the same as that used for these employees and equivalent employees servicing the same equipment of commercial customers.

☐ (2) Certain services as described in FAR 22.1003-4(d)(1). The offeror ☐ does ☐ does not certify that—

(i) The services under the contract are offered and sold regularly to non-Governmental customers, and are provided by the offeror (or subcontractor in the case of an exempt subcontract) to the general public in substantial quantities in the course of normal business operations;

(ii) The contract services will be furnished at prices that are, or are based on, established catalog or market prices (see FAR 22.1003-4(d)(2)(iii));

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(iii) Each service employee who will perform the services under the contract will spend only a small portion of his or her time (a monthly average of less than 20 percent of the available hours on an annualized basis, or less than 20 percent of available hours during the contract period if the contract period is less than a month) servicing the Government contract; and

(iv) The compensation (wage and fringe benefits) plan for all service employees performing work under the contract is the same as that used for these employees and equivalent employees servicing commercial customers.

(3) If paragraph (k)(1) or (k)(2) of this clause applies—

(i) If the offeror does not certify to the conditions in paragraph (k)(1) or (k)(2) and the Contracting Officer did not attach a Service Contract Act wage determination to the solicitation, the offeror shall notify the Contracting Officer as soon as possible; and

(ii) The Contracting Officer may not make an award to the offeror if the offeror fails to execute the certification in paragraph (k)(1) or (k)(2) of this clause or to contact the Contracting Officer as required in paragraph (k)(3)(i) of this clause.

(l) *Taxpayer Identification Number (TIN)* (26 U.S.C. 6109, 31 U.S.C. 7701). (Not applicable if the offeror is required to provide this information to a central contractor registration database to be eligible for award.)

(1) All offerors must submit the information required in paragraphs (l)(3) through (l)(5) of this provision to comply with debt collection requirements of 31 U.S.C. 7701(c) and 3325(d), reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M, and implementing regulations issued by the Internal Revenue Service (IRS).

(2) The TIN may be used by the Government to collect and report on any delinquent amounts arising out of the offeror's relationship with the Government (31 U.S.C. 7701(c)(3)). If the resulting contract is subject to the payment reporting requirements described in FAR 4.904, the TIN provided hereunder may be matched with IRS records to verify the accuracy of the offeror's TIN.

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(3) *Taxpayer Identification Number (TIN).*

- ☐ TIN: _____.
- ☐ TIN has been applied for.
- ☐ TIN is not required because:
 - ☐ Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States;
 - ☐ Offeror is an agency or instrumentality of a foreign government;
 - ☐ Offeror is an agency or instrumentality of the Federal Government.

(4) *Type of organization.*

- ☐ Sole proprietorship;
- ☐ Partnership;
- ☐ Corporate entity (not tax-exempt);
- ☐ Corporate entity (tax-exempt);
- ☐ Government entity (Federal, State, or local);
- ☐ Foreign government;
- ☐ International organization per 26 CFR 1.6049-4;
- ☐ Other _____.

(5) *Common parent.*

- ☐ Offeror is not owned or controlled by a common parent;
- ☐ Name and TIN of common parent:
 - Name _____.
 - TIN _____.

(m) *Restricted business operations in Sudan.* By submission of its offer, the offeror certifies that the offeror does not conduct any restricted business operations in Sudan.

(n) *Prohibition on Contracting with Inverted Domestic Corporations.*

(1) *Relation to Internal Revenue Code.* A foreign entity that is treated as an inverted domestic corporation for purposes of the Internal Revenue Code at 26 U.S.C. 7874 (or would be except that the inversion transactions were completed on or before March 4, 2003), is also an inverted domestic corporation for purposes of 6 U.S.C. 395 and for this solicitation provision (see FAR 9.108).

(2) *Representation.* By submission of its offer, the offeror represents that it is not an inverted domestic corporation and is not a subsidiary of one.

PHARMACEUTICAL PRIME VENDOR
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52.212-3 OFFEROR REPRESENTATIONS AND CERTIFICATIONS—COMMERCIAL ITEMS) (APR 2011) (continued)

(o) Sanctioned activities relating to Iran.

(1) Unless a waiver is granted or an exception applies as provided in paragraph (o)(2) of this provision, by submission of its offer, the offeror certifies that the offeror, or any person owned or controlled by the offeror, does not engage in any activities for which sanctions may be imposed under section 5 of the Iran Sanctions Act of 1996.

(2) The certification requirement of paragraph (o)(1) of this provision does not apply if—

(i) This solicitation includes a trade agreements certification (*e.g.*, 52.212-3(g) or a comparable agency provision); and

(ii) The offeror has certified that all the offered products to be supplied are designated country end products.

Alternate I (Apr 2011).

(12) (Complete if the offeror has represented itself as disadvantaged in paragraph (c)(4) or (c)(10) of this provision.)

[The offeror shall check the category in which its ownership falls]:

_____ Black American.

_____ Hispanic American.

_____ Native American (American Indians, Eskimos, Aleuts, or Native Hawaiians).

_____ Asian-Pacific American (persons with origins from Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Japan, China, Taiwan, Laos, Cambodia (Kampuchea), Vietnam, Korea, The Philippines, U.S. Trust Territory of the Pacific Islands (Republic of Palau), Republic of the Marshall Islands, Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, Guam, Samoa, Macao, Hong Kong, Fiji, Tonga, Kiribati, Tuvalu, or Nauru).

_____ Subcontinent Asian (Asian-Indian) American (persons with origins from India, Pakistan, Bangladesh, Sri Lanka, Bhutan, the Maldives Islands, or Nepal).

_____ Individual/concern, other than one of the preceding.

Alternate II (Apr 2011)

PHARMACEUTICAL PRIME VENDOR
VA797P-12-C-0022

52.212-3 OFFEROR REPRESENTATIONS AND CERTIFICATIONS—COMMERCIAL ITEMS) (APR 2011) (continued)

(iii) *Address.* The offeror represents that its address is, or is not in a region for which a small disadvantaged business procurement mechanism is authorized and its address has not changed since its certification as a small disadvantaged business concern or submission of its application for certification. The list of authorized small disadvantaged business procurement mechanisms and regions is posted at <http://www.arnet.gov/References/sdbadjustments.htm>. The offeror shall use the list in effect on the date of this solicitation. “Address,” as used in this provision, means the address of the offeror as listed on the Small Business Administration’s register of small disadvantaged business concerns or the address on the completed application that the concern has submitted to the Small Business Administration or a Private Certifier in accordance with 13 CFR Part 124, subpart B. For joint ventures, “address” refers to the address of the small disadvantaged business concern that is participating in the joint venture.